AMERICA'S VOLUNTEERS

A Report on the ALL - VOLUNTEER ARMED FORCES

DECEMBER 31, 1978

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (MANPOWER, RESERVE AFFAIRS AND LOGISTICS)

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REPORT ON THE ALL-VOLUNTEER ARMED FORCES

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FOREWORD

This report on America's volunteers has been prepared after a two-year in-depth study of the armed forces by the Department of Defense. During the first year, an interservice task force, under an OSD steering group, gathered data, structured the issues to be considered, and prepared an interim report. The Defense Manpower Data Center also provided an extensive data base for analysis.

During the second year, the data was analyzed, policies evaluated, and alternatives formulated by the staff of the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics). The Deputy Assistant Secretary for Requirements, Resources, and Analysis headed the steering group and personally participated in the analysis. The Director for Manpower Program Analysis was the Director of Analysis for the study and led the research and writing effort. He and his staff provided most of the analysis and prepared the final report. Significant contributions were made by the Director for Accession and Retention, the Director for Enlisted Personnel Management, the Director for Special Studies, the Deputy Assistant Secretary for Reserve Affairs, the Staff Director for Program Management, the Director for Health Resources, the Director for Health Planning, the Director of the Selective Service System, and their staffs.

The very meaningful research by Bob Hale and Dan Huck and their colleagues at the Congressional Budget Office, Richard Cooper and Dave Grissmer and their colleagues at the Rand Corporation, and the research arms of the various Services were used extensively as background for this study and were greatly appreciated. Additionally, research provided by Rand, General Research Corporation and GE Tempo for this study was key to the projection sections of this report. Analysts working on related Service, OSD, OMB, and GAO studies were consulted often during the research for and writing of this report in order to bring in the full spectrum of data and views on this issue. The detailed comments and suggestions from the Services, the Joint Staff, and a number of independent readers added perspective and depth that otherwise would not have been achieved.

Special recognition is due to SP6 Terry Wisener, USA, who was responsible for data, computer support and editing the report, and to OSD Graphics, the MRA&L secretaries and the members of the OSD Word Processing Center who made it into a report. Many long hours were devoted to this effort by a wide cross section of the manpower community within the Department of Defense and thanks are extended to all of them.

This report is not intended to either defend or attack the All-Volunteer Force. It does not recommend a specific alternative, but rather lays out the quantifiable data, structures alternatives, and sets a framework for the national debate that seems to be forming around the future of the All-Volunteer Armed Forces. It also responds to a request for information on the AVF by the Senate Armed Services Committee.

AMERICA'S VOLUNTEERS

A REPORT ON THE ALL-VOLUNTEER ARMED FORCES

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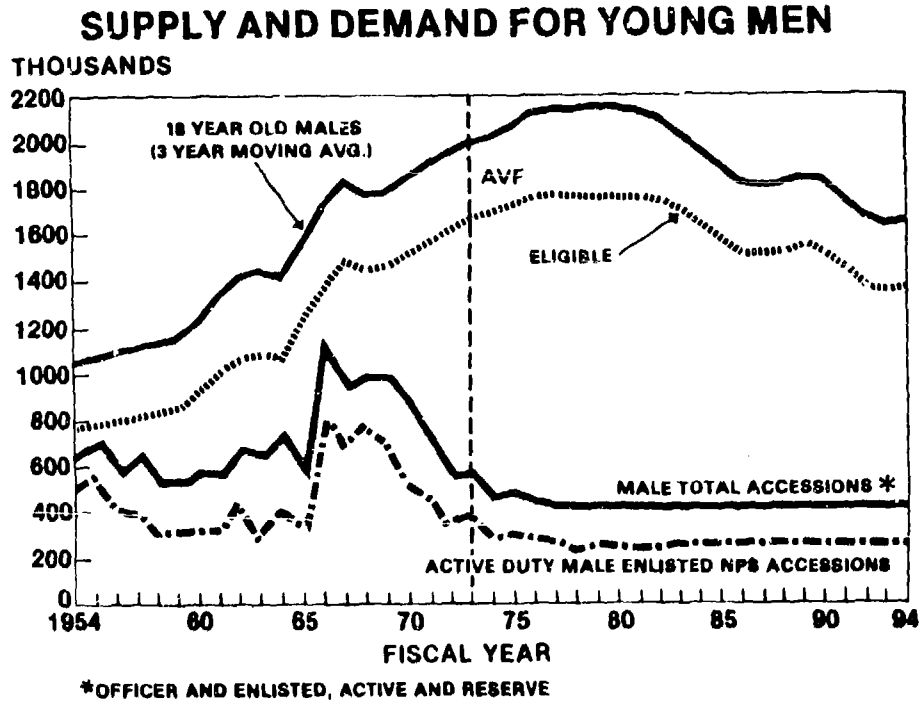
CHAPTER 1 - INTRODUCTION AND SUMMARY

Background

The statutory authority for the draft expired in June 1973, six months after the last draft call issued by the Selective Service System. This ended a nearly continuous period of more than 30 years of compulsory military service. For the past six years the United States has sought to man its military forces exclusively with volunteers. While the unpopularity of the Vietnam War and apparent program toward detente with the Soviet Union may have spurred an end to the draft, the rapid growth in the population of military age youths during the 1960s and 1970s made the end of the draft a true possibility.

Figure 1-1 [1/]



1/ Appendix A contains detailed supporting numbers for all of the figures presented in this paper. FY 1977 was used as a basis for research, but FY 1978 data is provided for key parameters in Appendix N. Appendix O contains Service comments as required by the Senate Armed Services Committee Report.

As shown in Figure 1-1, in the mid-1950s about 80% of the eligible young men were required by the military to provide the officer and enlisted strengths needed by the active and reserve forces. By the pre-Vietnam period of the early 1960s, the requirement had dropped to about 60% of the eligible young men. In 1978 only about 25% were needed. The supply of young men decreases by about one-fourth over the next 15 years; however, recruiting requirements do not exceed 30% of the eligibles in any future year. These requirements are lower than the percentage of young men required when the AVF decision was made.

While Figure 1-1 establishes neither past successes nor future guarantees for the all-volunteer force, it does demonstrate why the AVF concept was able to come to maturity in the 1970s. Although the population will decline in the 1980s, general circumstances will remain favorable for the AVF because the youth population will remain well above the low levels of the 1950s and 1960s.

Within the broad constraints posed by these population trends, there are more specific issues addressed by this study. How well does the all-volunteer force compare in terms of quality and quantity with the military force under the draft? What are the prospects for the decade to come? How have the reserve forces and reserve personnel resources fared? Are the people serving in the AVF qualified; are they broadly representative of the U.S. population or drawn mostly from a narrow and marginal slice of our society? Can the all-volunteer force, as presently conceived and organized, meet our total range of military manpower needs or must alternatives be considered?

This study was motivated by a decision of the new Administration and new leadership in the Department of Defense to examine the all-volunteer force policy and to identify a range of possible solutions--including alternatives to the AVF--for any problems that may have arisen. This study is published now because of widespread Congressional and public interest in the all-volunteer forces and because of the large stake of all Americans in the future of this policy.

The first part of the study addresses the peacetime active forces. The second studies mobilization manpower--the manpower which could be supplied upon mobilization by the selected reserve, the standby reserve, retired personnel, and the "standby draft." The third part clarifies the debate on the cost of the all-volunteer force and addresses alternative concepts of providing military manpower. The following overview of these sections provides highlights of the accomplishments as well as the problems of the AVF.

Active Forces

From the beginning of the AVF it has been apparent that the primary focus of the energy and resources devoted to the volunteer experiment was concentrated on the active forces. The results attest to the success of these considerable efforts:

- o Since the end of the draft, the active forces have remained within 1.5% of Congressionally authorized levels.

- o More importantly, the quality of those serving on active duty, as measured by the education levels of active duty personnel and the average test scores of new recruits, has not declined as popularly believed but has markedly and steadily improved since the end of the draft. In particular:

  - DoD average test scores of recruits under the AVF have risen during a period when average test scores have fallen for the population as a whole;

  - The educational levels of the force are much higher than in the pre-Vietnam peacetime era;

  - The recruit class of FY 1978 contains the highest percentage of high school graduates of any year in our nation's history.

- o The costs of the AVF, even as identified by GAO, are within 20% of the cost levels predicted by the Gates Commission in 1970. Moreover, fully three-fourths of all cost increases associated with the AVF have been the result of pay raises for the most junior personnel, pay raises that would have been justified on the basis of fairness and equity even if the draft had been retained.

- o Retention of enlisted personnel has increased under the AVF and is well above pre-Vietnam rates.

- o Disciplinary incidents have shown a steady and in some cases dramatic improvement since the early 1970s, returning to about the pre-Vietnam level. And despite an increase in attrition of first-term personnel, DoD turnover rates have remained at about the same level while the Army's have decreased significantly.

- o The all-volunteer force appears to offer better opportunities for women and minorities, a choice of training and occupations to new recruits, and improved living standards for junior personnel once on active duty.

These tangible results should not be taken to mean that the active forces under the AVF do not and will not have problems.

First, there are some enlisted areas that today require careful scrutiny. Despite recent improvements, the Army has had generally declining average test scores of recruits since FY 1976. In the area of discipline, statistics for the Navy run counter to the favorable trend for DoD as a whole.

More generally, higher enlisted attrition during the first term of service has been a DoD-wide phenomenon under the AVF. Losses are up nearly 50% over the draft-era. For example, of those who enlisted in FY 1974, approximately one-third left prior to the end of their first enlistment. The high AVF attrition rates, which were due to a variety of causes including more lenient administrative discharge policies, have now begun to decline and a number of steps have been taken to ensure a further decrease.

The enlisted recruiting market has tightened perceptibly in the last 12 months, as each of the Services has encountered somewhat greater difficulty in attacting new recruits. One possible reason is the termination of the G.I. Bill educational benefits for those enlisting after December 31, 1977. Nevertheless, the active forces remain at virtually full strength and the quality of recruits being attracted is at a record peacetime high. Appendix N discusses the results of the past year in some detail.

The second area for concern has been the adjustments needed to manage the AVF under the population trends in the 1980s, when the reduced population will make it harder to recruit the same number and quality of persons. To accommodate this trend, DoD has made plans to utilize more effectively the manpower resources available. For instance, reduced first-term attrition would result in lower turnover rates which will make it possible to recruit fewer enlistees. DoD will double the number of women on active duty between FY 1977 to FY 1984. These two actions should reduce the need for male recruits. With such changes, and others that are available if needed, the supply projections indicate that the Services should be able to meet recruiting requirements throughout the 1980s.

The third area that bears watching is officer recruiting and retention. While the Services have had little trouble in recruiting enough line officers, there have been some problems in attracting those with highly technical backgrounds and problems in retaining aviators and, especially, physicians. This study concludes that there are more than enough physicians to meet the requirements of active duty personnel. Notwithstanding these findings, perceived deterioration of health care and long delays in receiving health care are cited again and again as major problems by military personnel, survivors, retirees, and their dependents. This study concludes that while there is adequate military capability for the active force, the CHAMPUS program is not being used effectively to augment that capability for non-active duty beneficiaries.

Mobilization Assets

While active forces contribute the first line of defense, other mobilization assets would be essential in case of a major conflict in central Europe or in meeting other contingencies. The active forces are supported by the selected reserve -- the national guard and reserve units of the various Services. These units may be called to active duty in a national emergency to augment the active forces. Pretrained individuals may be either activated to fill units to combat strength or to provide replacements during the early months of a conflict. The Individual Ready Reserve (IRR) is the primary source of pretrained manpower and is composed mostly of enlisted personnel who have completed their active duty tour, but have part of their six year military obligation remaining.

While the active forces have been doing rather well under the AVF, there have been more serious problems among the mobilization assets, especially for the Army. The Army Reserve and National Guard strengths have sagged below Congressionally authorized floors, even after those floors were reduced to account for expected shortfalls. A major problem appears to be retention of sufficient enlisted reservists through their initial six year contract. While the Army enlists about 56,000 nor-prior service personnel in the reserve components each year, the majority fail to complete half of their six year obligation. Although strength has declined, the overall quality of selected reserve personnel has remained adequate because of heavy reliance on individuals with prior active service.

A number of programs have been undertaken to improve the readiness and reverse the manpower trends of the Army Reserve. Pay incentives and other actions are designed to attract additional manpower components. Their success or failure will determine what happens to future reserve strengths under the AVF concept. Both enlistment and reenlistment bonuses are now being awarded to most early-deploying and other high-priority reserve units. These incentives are structured to improve retention of reservists as well as increase accessions. The number and type of enlistment training options have been increased to make reserve service more accessible to potential recruits. A more far-reaching change--a proposal to reform the reserve compensation system--is also being developed within DoD. Increased full-time manning, again for early-deploying units, is designed to improve the readiness of such critical units, but this action could also help increase manning.

The Army IRR has had an even more serious decline, dropping to one-third of the pre-Vietnam level and to one-sixth of its Vietnam peak to 160,000 in FY 1977. By all estimates, this current level is well below what would be needed to meet a major conventional attack in Central Europe. By far the greatest shortfall is in combat arms.

Actions have already been taken to increase the strength of the IRR. All personnel losses through attrition are screened to insure that potential mobilization assets are retained in the IRR. Individuals are no longer automatically transferred from the IRR to the standby reserve for their last year of military obligation and are encouraged to reenlist in the IRR after completion of obligated service. These steps alone will not suffice, but DoD will shortly begin testing a program of a direct six-year enlistment in the IRR and another program of a two-year enlistment in the combat arms of the active force, followed by a four-year reserve commitment. DoD is further exploring other potential actions including an increased role for active force retirees, an adjustment or lengthening of the six-year minimum service obligation, and emergency plans for a recall of veterans in case of a major conflict.

Another major problem is the wartime demand for medical care in a high-intensity European war. The United States may have to rely extensively on the civilian health care sector to augment the military health care system. Plans to utilize civil sector assets have not been made.

The final category of mobilization assets is the untrained manpower pool. These unidentified individuals are physically and mentally qualified for the military but have no prior military service. The category includes young men who would be drafted in an emergency to meet the specific manpower requirements. 2/ These people must be called to duty and trained for at least 12 weeks, as required by law, before deployment and so would not be available in theater during the first several months of any conflict.

The last draftee was called in FY 1973. In FY 1975, the registration of untrained manpower terminated; and in FY 1977 the Selected Service System (SSS) was placed in "deep standby" and the 3,000 draft boards were disbanded. The SSS employees were reduced from 8,000 in FY 1973 to 2,900 in FY 1975 and to 100 in FY 1977. The SSS budget was reduced from $95 million in FY 1973 to $45 million in FY 1975 and to $7.9 million in FY 1977. Both DoD and SSS agree that the current system cannot adequately meet DoD's wartime manpower requirements.

DoD is currently testing and implementing major program changes in the selected reserve and other mobilization assets. The success of these programs in improving the reserve manpower posture for the Army has not yet been determined. In addition, there are unremedied deficiencies in the peacetime posture of the Selective Service System that lie outside the control of the DoD. To remedy these deficiencies in our wartime mobilization or to provide alternative means of obtaining

2/ The current "standby draft" legislation provides authority to reconstitute the Selective Service structure and conduct preinduction procedures including registration and classification for youth in peacetime if the President so directs, but the authority to draft youth, physicians and other older specialists has expired.

military manpower in peacetime, the study identified a range of possible future courses of action, including alternatives to both the current SS posture and the AVF.

All-Volunteer Force and Selective Service Alternatives

The study identified three types of alternatives to the AVF with the current SSS posture: (1) a more responsive Selective Service System to better meet mobilization manpower requirements; (2) a return of the draft, either for the active forces or the reserves; and (3) some form of national service program extending beyond military service. Table 1-1 contains fourteen specific options, together with a capsule description of their effects and an estimate of their costs Eight of these options refer to modifications of the SSS and three each apply to the draft and to national service.

The study recommends that further debate focus on five of the options (numbers three through seven) that would improve SSS responsiveness in wartime. These options would provide progressive enhancements of SSS capability -- ranging from an option enhancing responsiveness without peacetime registration through registration, testing and physical examinations. Additional annual costs would be between $2 million and $60 million for these options.

The draft is not necessary in peacetime because, as this study concludes, the active forces are at full strength with manpower quality equal to or exceeding that produced by the draft. Program changes being tested and implemented for the selected reserve and the IRR may eliminate deficiencies in these areas and should be given a chance to work. Moreover, a draft focused solely on the selected reserve or the IRR would involve practical difficulties. A selected reserve draft would be a "home-town" draft to fill deficiencies in local selected reserve units and could undermine community support for the reserves. An IRR draft would require that personnel with as little as 12 weeks of training be available for combat duty within 30 days of mobilization for a period of six years following this training. It is unclear whether such individuals could achieve and retain the necessary skills and physical conditioning with so little training.

While national service programs have had in the past and continue to have a number of strong advocates, this study and others have indicated that the costs of such programs cannot be justified in terms of national defense alone. Thus, the leadership for investigating national service alternatives should come from outside the DoD. However, military manpower needs cannot be neglected in any such further investigation.

Table 1-1

SUMMARY OF ALTERNATIVES

Alternatives	Effects	Annual Costs ($M)
----Selective Service System Alternatives----		
1. Eliminate SSS	Eliminates an agency. Seriously reduces capability to mobilize for eventual conflict.	-7
2. Continue Today's System	Does not meet DoD's wartime plans, but does provide mobilization capability for long war.	0
3. Improve Standby SSS (Without Registration)	Reduces processing time to better meet DoD requirements.	+2
4. Reinstate Peacetime Registration	Assures registered pool will be met but may have draft resistance. Reduces lead time to 15 days for draft call up.	+10
5. Institute Universal Aptitude Testing + Alt 4	Provides test to all youth; may help recruiting effort; may be resisted by large section of society.	+22
6. Reinstate SSS Classification + Alt 5	Provides capability to draft youth on or before mobilization day.	+30
7. Give physical examination to 300,000 Youth + Alt 6	Greatly increases cost; increases potential for resistance.	+60
8. Provide Universal Physical, Aptitude Testing & SSS Classification	Provides full evaluation of all youth; goes far beyond any previous SSS program; may strain U.S. civilian medical community.	+470

Table 1-1 (continued)

SUMMARY OF ALTERNATIVES

	Alternatives	Effects	Annual Costs ($M)
	----Reintroduction of Conscription----		
9.	Institute IRR draft for 100,000 per year + Alt 7	Would rebuild IRR to 1960 levels; could rekindle anti-draft movement.	+510
10.	Institute Selected Reserve Draft of 100,000 per year + Alt 7	Fill all reserve units; very difficult to administer because of local nature of reserve programs. Communities may seek reduction in size or complete removal of reserve and national guard units.	+275
11.	Return to Active Force Draft of 100,000 per year + Alt 8	Would reduce quality of Army and stimulate anti-draft sentiment. Saves money.	-250
	----National Service Programs----		
12.	Move to Small Targeted National Service	Consolidate youth programs; improve opportunities of deprived youth; not much effect on DoD.	+2,200
13.	Move to Broad Based Voluntary National Service	Explain alternatives to all youth; severely handicap AVF; very expensive.	+12,000
14.	Move to Broad Based Mandatory National Service	New youth training program; ten times more people than DoD needs or can use; difficult to find meaningful work for all; most expensive.	+23,000

Because of the success of the all-volunteer active force, the study group suggests narrowing the range of consideration to alternatives 3 through 7. All five of these alternatives would continue the all-volunteer concept in peacetime, but would improve the wartime mobilization capability of the Armed Forces. They all should meet DoD manpower requirements for mobilization, but with increasing certainty at increasing cost (from $2 million to $75 million per year above current expenditures).

The study concludes that:

- The AVF has provided the military services with a full-strength active force of a quality equal to or superior to that achieved under the draft. The cost of this policy has been close to that projected in 1970 by the Gates Commission.

- Although Navy, Marine Corps, and Air Force Reserve components have been able to meet Congressionally authorized strengths, the Army National Guard and Reserve have sagged. A number of programs are being tested or have been adopted to increase both the strength and readiness of Army reserve components.

- The pool of trained individuals with a military obligation able to meet mobilization manpower needs has shrunk since the end of the Vietnam War. Current levels of the IRR and other pools such as military retirees are probably not sufficient to meet immediate requirements for individual replacements in a major war. A variety of programs are under active consideration that would increase the level of resources in this important area.

- A more responsive standby draft is needed to provide manpower in case of a major protracted war in Europe. In considering a wide range of alternatives to the AVF, the study group recommends that systemic improvements be made in the standby SSS.

- The results of this study do not support a return of peacetime conscription for either the active force or the reserves.

- A rapid mobilization of the civil sector medical community is needed to absorb the high casualty workload during the early phase of a major war in Europe. The DoD and civilian agencies must develop plans to provide this capability.

- A national service program should not be based on military manpower needs, but rather on the needs of the youth of the nation and the cost relative to other national objectives. However, if a decision is made to move to national service, the military manpower requirements need to be considered in designing and implementing that plan.

PART I - THE ACTIVE FORCE

Most of the discussion of the success or failure of the AVF has centered on the active forces--the active duty personnel of the Army, Navy, Air Force and Marine Corps. This is proper since the active forces are the first line of defense and must be adequately manned and trained. If the AVF does not work well in the active forces, if it does not provide both the quality and quantity of personnel needed for the wide range of military occupations and skills, then program changes would have to be made in order to meet those needs. In Part 1 the study assesses the AVF in the active forces.

The primary AVF concern of both DoD planners and AVF critics has been the ability of the Army to meet its active duty enlisted manpower requirements without conscription. After a brief review of officer strength trends, the discussion in the following two chapters is focused on enlisted personnel, with emphasis on the Army. 1/ Chapter 2 discusses the AVF in the active forces through FY 1977. Chapter 3 addresses active force projections through 1990.

Chapter 4 addresses the most serious AVF problem related to officers, assuring sufficient active duty military physicians to meet peacetime requirements. The requirements for physicians often were met by draft calls prior to 1973. Physicians have been in short supply under the AVF. Chapter 4 addresses the military medical services under the AVF in some detail, discussing both experience through FY 1977 and projections for the 1980s.

1/ In Appendix A data are presented for officers and total force in addition to a more detailed display of data for enlisted personnel. Appendix N provides additional data for the FY 1978 force.

CHAPTER 2 - THE AVF THROUGH FY 1977

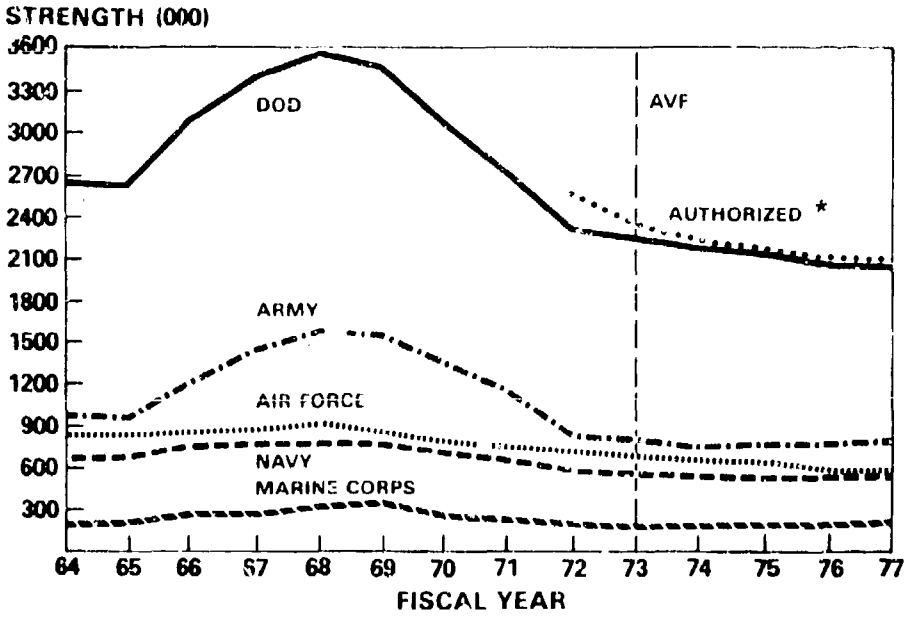
This chapter examines trends and changes in manpower factors under the AVF, including trends in manpower strengths, trends in quality of accessions, changes in the representativeness of the force, and changes in other manpower factors.

Strength Trends

The transition to the AVF occurred simultaneously with the drawdown in active strength from Vietnam. The active force inventories were reduced from over 3.5 million officers and enlisted personnel in FY 1968 to less than 2.1 million in FY 1977. Figure 2-1 shows that most of the drawdown occurred between FY 1969 and FY 1972 (just as the AVF decision was being made) and that the reduction was concentrated in the Army.

Figure 2-1

TOTAL ACTIVE MILITARY END STRENGTH TRENDS



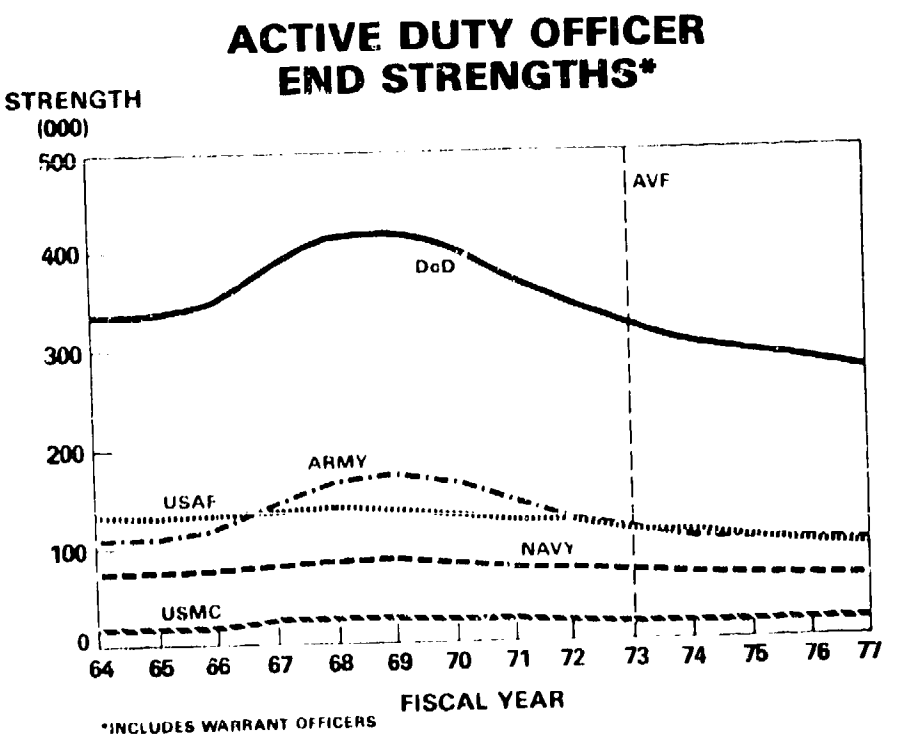
* Authorized line shows the Congressional Authorizations since FY 1972. Active force personnel strengths were not specified by Congressional authorization prior to FY 1972. Total DoD actual end strengths have been within 1.5% of the authorized level since FY 1974.

Officer Strength Trends

The officer corps has always been a volunteer force, with the exception of physicians who were drafted as medical officers prior to 1973. However, during the draft years, some officers were motivated to "volunteer" by the threat of the draft, just as were many enlisted men.

The number of active duty officers is presently lower than it has been since before the Korean War. After Korea, officer strength declined to about 315,000 in the early 1960s and then increased to a peak of about 419,000 in FY 1969 during the Vietnam conflict. As shown in Figure 2-2, post-war strength has dropped 34% to 275,000 in 1977. The largest portion of this decline occurred in the Army, which has dropped by 43% since FY 1969.

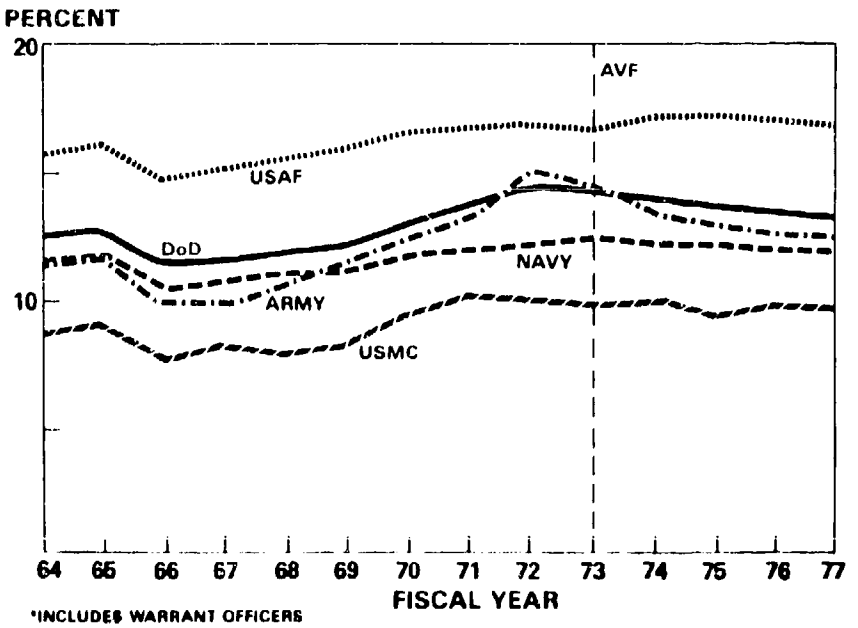
Figure 2-2



Officers as a percentage of the total active duty force have remained relatively stable. During periods of expansion officer strength grows more slowly than enlisted and during periods of reduction it shrinks more slowly than enlisted strength. These trends are evident in Figure 2-3. The officer portion of the force lagged behind the enlisted buildup in FY 1966-1968 and lagged behind the drawdown in the early 1970s. Officers dropped to a low of 11.3% in FY 1966, peaked at 14.5% of the force in FY 1972 and have gradually been readjusted downward since then. The FY 1977 AVF officer percentage of the total active strength at 13.4% was within one percentage point of the pre-Vietnam draft rate of 12.6%, as shown in Figure 2-3.

Figure 2-3

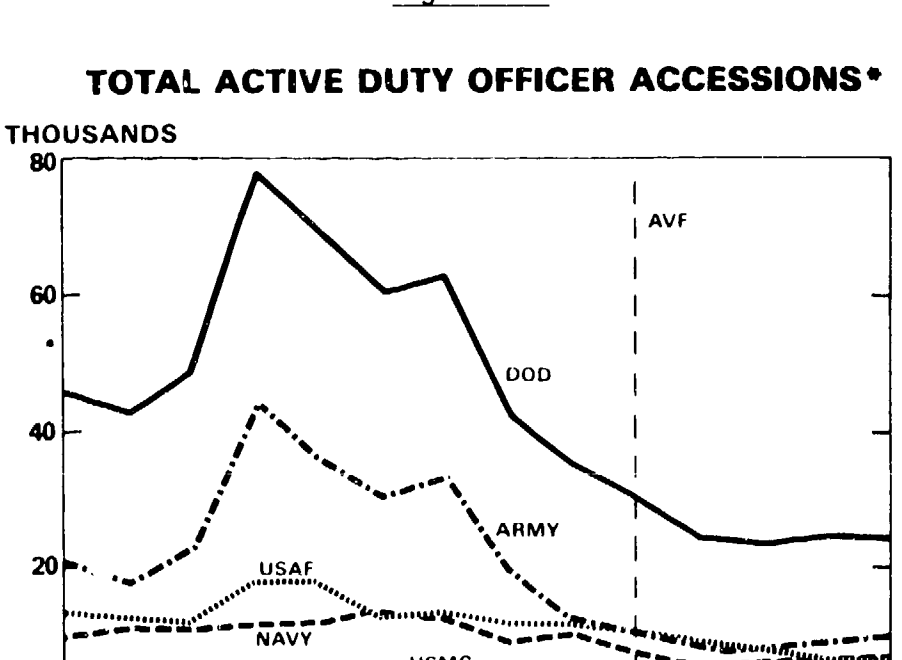
OFFICERS AS A PERCENTAGE OF TOTAL ACTIVE DUTY MILITARY PERSONNEL*



The Air Force is the most officer intensive Service, with the Marine Corps being the least intensive. The high number of Air Force officers is due primarily to the officer intensity in aircraft squadrons, as compared to Navy ships or Army battalions. This intensity is necessary because of aircrew requirements. Since medical, chaplain and other support that the Marine Corps receives from the Navy tend to be officer intensive, it is not surprising that the Marine Corps officer percentage is less than the other Services.

Changes in strength are a function of accessions and losses. Officer accessions, like officer strength, have fluctuated since FY 1964 with the changes in manpower needs during and after the Vietnam conflict. There has been a 68% drop in accessions since the peak in FY 1967. The largest drop occurred in the Army which declined by 78%.

Figure 2-4



Officer accessions in FY 1977 were only 54% of the FY 1964 level. These accessions supported an officer force that was 82% of the FY 1964 size. This fact is a result of longer initial active duty tours and the elimination of draft motivated volunteers who had a low propensity to serve beyond their minimum obligation.

Under the AVF, the Services are meeting their overall officer strength requirements. In certain specialties, incentives have been increased since the institution of the AVF. Medical officers prior to the AVF received extra pay up to $350 per month. Today, in addition to that pay, there is a special variable incentive pay of up to $13,500 per year.

Other officer incentive pays have been structured. Perhaps the best example is officer aviation incentive pay (ACIP or flight pay). A captain with six years of service now draws $245 per month when previously he received $145. Aviation pay to very senior officers has declined. A colonel with 24 years of service now receives $165 per month, when he previously received $245. Some officer skills that received large bonuses well before the AVF have continued to receive extra pay for service. For example, the Navy nuclear officer continuation pay was $14,000 in the late 1960s and is $20,000 in 1978.

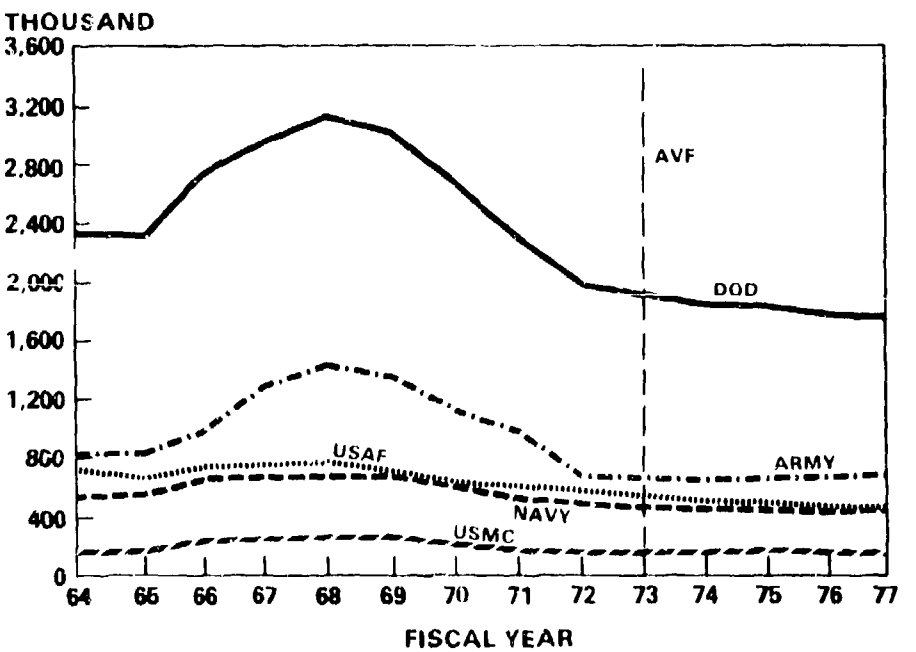
With these incentives, the Services are attracting and retaining adequate numbers of officers for all specialties. There are potential problems with medical officers, aviators, nuclear trained officers and some other technical fields. The active duty medical officer issue is the most accute and is discussed in more detail later in Chapter 4.

Enlisted Strength Trends

As shown in Figure 2-5, the enlisted strength trends are very similar to the total strength trends in Figure 2-1.

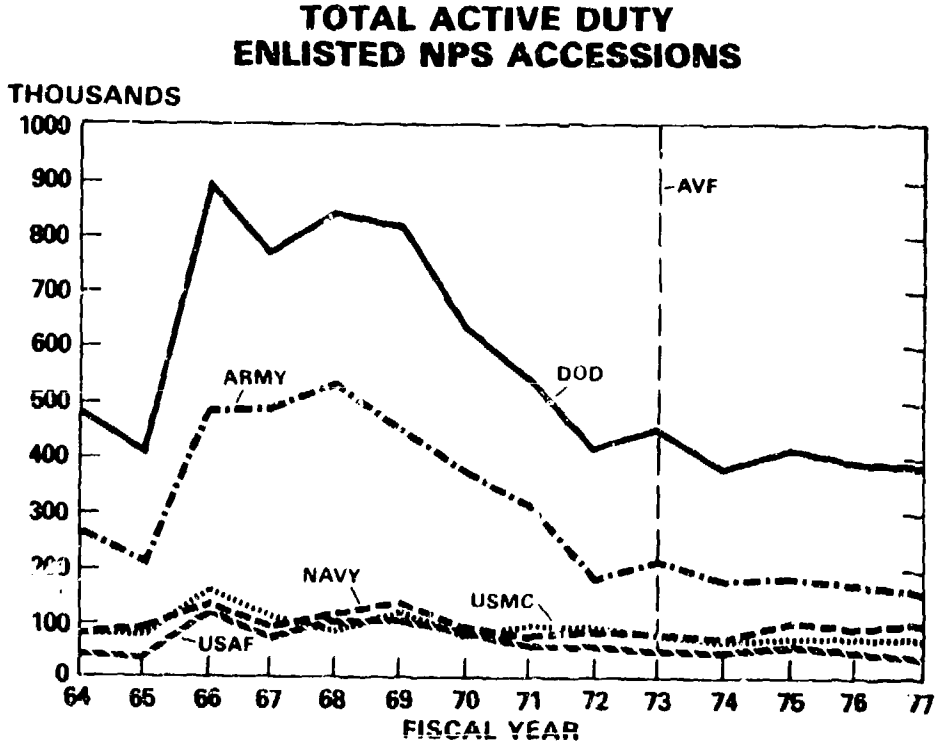
Figure 2-5

ACTIVE DUTY ENLISTED END STRENGTHS



As with the overall strength trend, the major change in enlisted strength occurred in the Army which had increased the most during the Vietnam War. The strength decreases in all Services were planned reductions as part of post-Vietnam draw-down and not the result of recruiting short falls. The trends in annual non-prior service accessions are shown by Service in Figure 2-6.

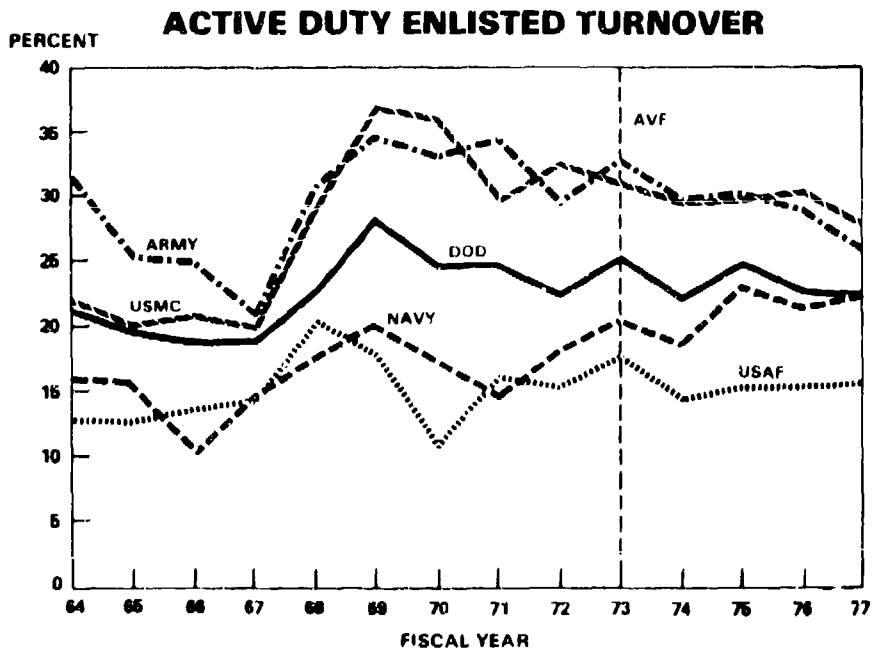
Figure 2-6



As a result of Vietnam requirements, active duty non-prior service accessions increased from 414,000 in FY 1965 to 903,000 in FY 1966. The draw-down was not as precipitous as the build up, but accessions declined from 821,000 in FY 1968 to 418,000 in FY 1972. Each year under the AVF the Services collectively have recruited about 400,000 enlisted NPS accessions.

Accessions are only part of the strength equation. The other part is losses or turnover. One significant measure of the effectiveness of the AVF is to compare the turnover rates (percent of the force which was replaced during the year) as shown in Figure 2-7. While there has been little change in the DoD turnover rate, the Army has substantially improved its turnover percentage under the AVF. The turnover rate for DoD in FY 1977 was 23% as compared to 22% before Vietnam stop-loss actions were taken in 1965. The Army, however, for the same years shows a reduction in turnover from over 32% per year to less than 27% per year. The other Services all show a 3 to 8 percentage point increase over their pre-Vietnam turnover rates. Since turnover rates are the product of both losses and gains, there are annual fluctuations; but in spite of these fluctuations, the rates in Figure 2-7 show a down trend for all Services except the Navy.

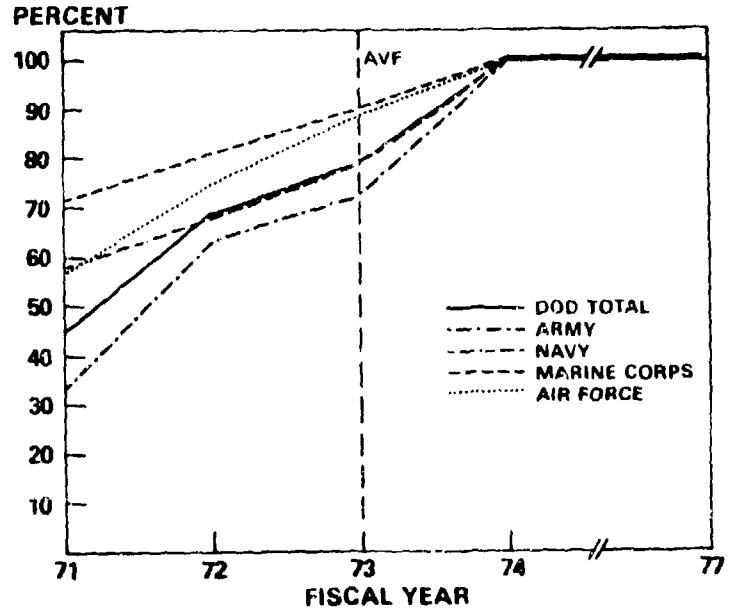
Figure 2-7



In examining the previous trend, with a line at FY 1973 labeled AVF, one can gain the opinion that the all-volunteer force occurred all at once. That is not true. The transition to an all-volunteer force was not precipitous, but phased in over a three year period FY 1971-FY 1973. It coincided with the last part of the Vietnam drawdown discussed previously. During this period of drawdown, an increasing percentage of the enlisted accessions were true volunteers, as shown on Figure 2-8.

Figure 2-8

ENLISTED VOLUNTEERS AS PERCENTAGE OF ACTIVE ENLISTED ACCESSIONS



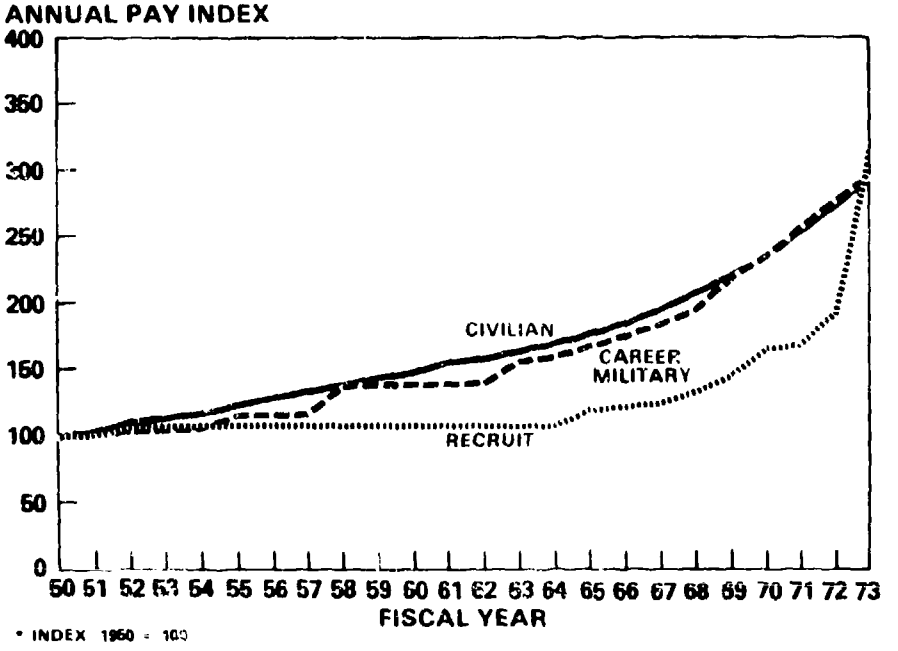
* Adjusted to remove draft motivated volunteers.

A major pay increase in November 1971, combined with the strength reductions, facilitated the increase in percentages of true volunteers. The pay raise was exclusively for junior personnel, thus increasing the attractiveness of military service and removing an obvious recruiting obstacle. This increase was recommended by the Gates Commission and thus is associated with the AVF even though the Commission stated that "regardless of the fate of the draft, the Commission strongly recommends elimination of this discrimination against first-termers." 1/ Figure 2-9 shows the extent of the pay suppression for junior personnel to which the Commission referred. From FY 1952 through FY 1964, junior enlisted pay grades received no increase in pay. After FY 1964, enlisted pay generally increased at the same percentage as other military pay, thus staying parallel to but below the career pay line. In FY 1967, career personnel received a comparability adjustment not provided to junior personnel but the cumulative effect of this pay suppression was more than offset by the pay raises in the early 1970s. Since FY 1973, all pay grades have received the same percentage pay increases.

1/ Report of the President's Commission on an All-Volunteer Armed Force, p. 7.

Figure 2-9

ANNUAL PAY INDEXES* FOR CIVILIAN, CAREER MILITARY, AND RECRUITS



*Richard V. L. Cooper, Military Manpower and the All Volunteer Force, Santa Monica, Calif.: RAND R-1450, September, 1977 (fig. 7-1, p. 115)

In addition to raises in annual pay, the institution of enlistment bonuses and a revision of reenlistment bonuses added management tools to help recruit and retain enlisted personnel.

In the early years of the AVF, enlistment bonuses of up to $3000 per enlistment were authorized. Full authority has never been used. Enlistment bonuses of up to $2500 per enlistment were used primarily to encourage enlistments in the Army and Marine Corps combat arms skills, which were hard to fill. Most other skills did not require bonuses because the higher basic pay levels proved to be a sufficient incentive.

With the AVF there was an increased propensity for persons to stay on active duty beyond their initial obligated service. It soon became apparent that DoD reenlistment policies needed improvement. Under the draft every reenlistee received a bonus. Some people reenlisted and

received a bonus after as little as one year of service. Under the AVF, it appeared that reenlistments in some skills could be achieved without bonuses, while others would require larger bonuses than had been paid previously. A selective reenlistment bonus program (SRB) was established in FY 1974 to meet this need. In spite of its save pay provisions (which permitted anyone enlisting before the effective date of the legislation to reenlist with at least a regular reenlistment bonus), the SRB program has saved about $0.5 billion through FY 1977 and represents an offset for the increased recruiting costs of the AVF.

Active Forces Recruiting

With the advent of the All-Volunteer Force the role of the military recruiter changed significantly--particularly in the case of the Army. During the draft era, Army recruiting objectives were based on assessments of market supply rather than Army accession requirements. The difference between potential supply and Army requirements was filled by inductees. With the significant motivator of involuntary service facing American men, the other Services would set their recruiting objectives, based on accession requirements, with every expectation that the complete requirement would be achieved. In most instances, Service recruiters functioned more as "order takers" rather than salesmen. There was little need to find prospects to enlist. Most recruiting objectives were based on total requirements with recruit classification and assignments accomplished during the initial reception station processing period. Some occupational area training guarantees were offered, but most enlistees entered service under a general enlistment.

With the advent of the AVF, all Services began to broaden and intensify their recruiting efforts. The major initial concern, however, was with the Army's ability to recruit for the combat arms. During July-December 1970, the Army's monthly combat arms voluntary enlistments averaged slightly more than 200 a month. An aggressive and creative recruiting program was instituted. It included choice of overseas locations and unit assignments as well as increased advertising and more recruiting resources. This enabled the Army to increase the average to slightly more than 3,000 a month during July-December 1971.

In June 1972 Army and Marine Corps began a test of the combat arms bonus which had been authorized by Congress. The first month of the bonus resulted in the recruitment of 5,400 Army and 1,500 Marine Corps combat arms enlistees. In subsequent months Army expanded its guaranteed enlistment program to other military skill areas. Despite the increased attractiveness of the non-combat arms skills, the Army was able to maintain an average monthly combat arms total of 3,000 through FY 1973. Two-thirds of the Army's combat arms enlistments were bonus enlistees.

The Services' early experience showed that young volunteers wanted the uncertainty of future assignments removed. As a result, enlistment options guaranteeing specific occupational and geographical area assignments were developed. To support this change, and to standardize testing, the Services substituted the Armed Services Vocational Aptitude Battery (ASVAB) for their aptitude tests and the Armed Forces Qualification Test (AFQT), although ASVAB scores also are converted to AFQT scores. The AFQT measured only the applicant's general trainability while the longer ASVAB also measures potential success in specific occupational training courses before enlistment.

Although this step provided the Services with a capability to insure applicants would be qualified for a specific training guarantee, the system did not insure that each enlistee would enter Service at the appropriate time to permit immediate entry into the specified occupational training course. Thus, some enlistees were placed in hold status following completion of basic training and while awaiting the start of the advance skill training they had been guaranteed. Subsequent improvements in the Service accession management programs, such as the Delayed Entry Program, have permitted the Services to schedule entry into Service on a basis that permits recruits to proceed directly from basic to the specialized occupational training.

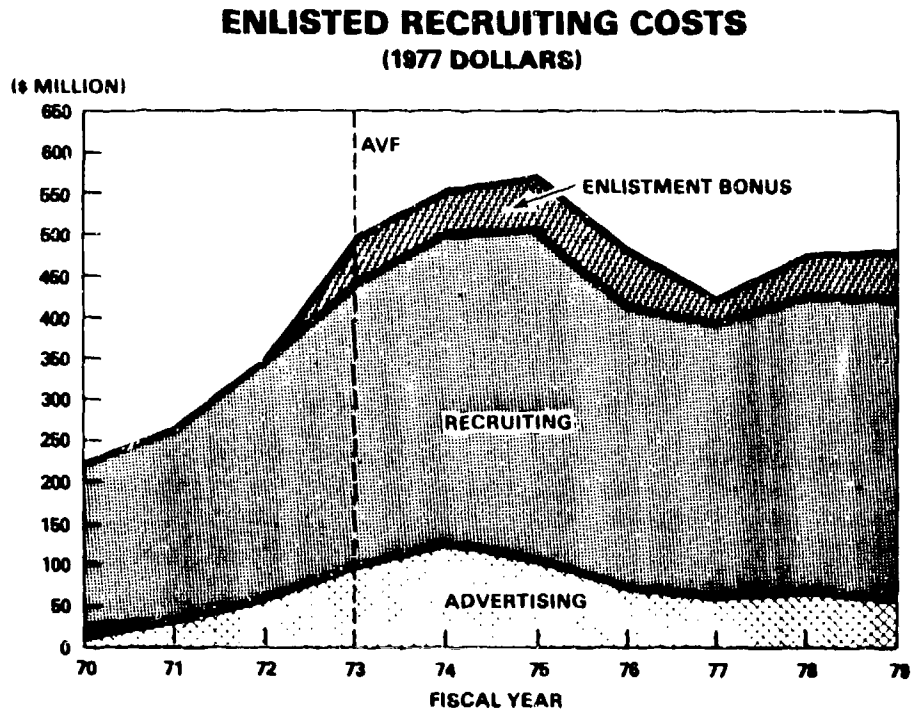
Thus, Active Force recruiting has evolved from a simple achievement of numerical objectives to a sophisticated personnel selection and classification process which stimulates the supply of volunteers and matches this supply with specifically available training requirements. 2/ The changes in Active Force recruiting resource levels since 1970 are shown in Figure 2-10 in terms of constant dollars, thus removing the effects of inflation. 3/

As shown in Figure 2-10, real resources spent on advertising, enlistment bonuses and recruiting collectively have more than doubled from FY 1970 through FY 1975. The cost of the AVF is discussed in more detail in Chapter 9.

2/ Appendix D contains an analysis of other recruiting initiatives that could be used to further improve recruiting capability.

3/ Appendix A provides the data in current as well as constant dollars.

Figure 2-10



Trends in Quality of Accessions

Quality of the force has been measured in terms of mental test scores and educational achievement. For officers, the percentage with baccalaureate degrees has increased from 72% of officers on active duty in 1964 to 92% in 1977. More highly qualified college graduates are willing to enter the AVF as line officers than can be accepted. However, there are some problems in recruiting sufficient numbers of medical personnel, engineers and other technical disciplines. In non-technical disciplines, there are more applicants than can be commissioned. The major concerns about quality in the AVF have concentrated on enlisted accessions.

Mental Categories

The mental quality of the enlisted force, as measured by written test scores 4/, has tended to increase under the AVF. Figure 2-11 shows the trends in the mental quality of military accessions during the AVF years. These upward trends were achieved in spite of general downward trends in youth scores on other tests administered to the general population, such as Scholarship Aptitude Test (SAT), Iowa Standard Test and the National Merit Scholarship Qualification Test.

In FY 1964, one out of every seven active force enlistees ranked in mental group IV. During the all-volunteer years, this percentage was steadily reduced to one in twenty by FY 1977. Mental category IV accessions are easier to recruit but are more likely to require additional time to complete training than do those in categories I through III and have higher losses than other accessions with the same educational level. Training costs to replace losses must be balanced against the increased recruiting costs associated with recruiting those of the higher mental categories.

While total DoD accessions in the AVF tend to be slightly better than the general population, the distribution of accessions based on mental quality has not been equally shared among the Services. Figure 2-12 shows the distribution of the FY 1977 non-prior service accessions based on their seventy-question raw ASVAB AFQT scores. The first graph displays the normal curve for the general population minus those who score in mental category V and are thus excluded from military service by law. As can be noted in the DoD total plot, proportionally fewer category IVs were recruited than were available, while proportionally more category IIs and IIIs were recruited. The Air Force recruited over 53% of its accessions in mental categories I and II, compared to the normal military eligible population total of about 29%. On the other hand, the Army had about 45% of recruits in mental category IIIB while the normal military eligible population has only about 32% in

4/ The mental quality of military accessions is measured by scores received on the Armed Services Vocational Aptitude Battery Tests (ASVAB). A portion of the ASVAB scores are then converted to a standardized test score called the Armed Forces Qualification Test (AFQT). Based on AFQT percentile scores, enlistees are classified into one of five mental categories with category I being the highest. The average score is 50 which divides mental category III. The top 8% are in mental category I. The next 27%, from 65 to 92, are in mental category II. Mental Category III is from 31 to 64 and mental category IV is from 10 to 30. Those scoring in category V are disqualified from military enlistment.

this group. Both the Navy and Marine Corps had slightly better than normal distributions of recruits. This imbalance in mental quality of accessions among the Services will be the subject of a separate DoD study including the possible differences in requirements among the Services. The Army's problems may well be the result of imbalances within DoD. As a whole, the Department seems to be getting at least its fair share of the high quality youth.

Figure 2-11

Active Duty NPS Enlisted Accessions by Mental Category

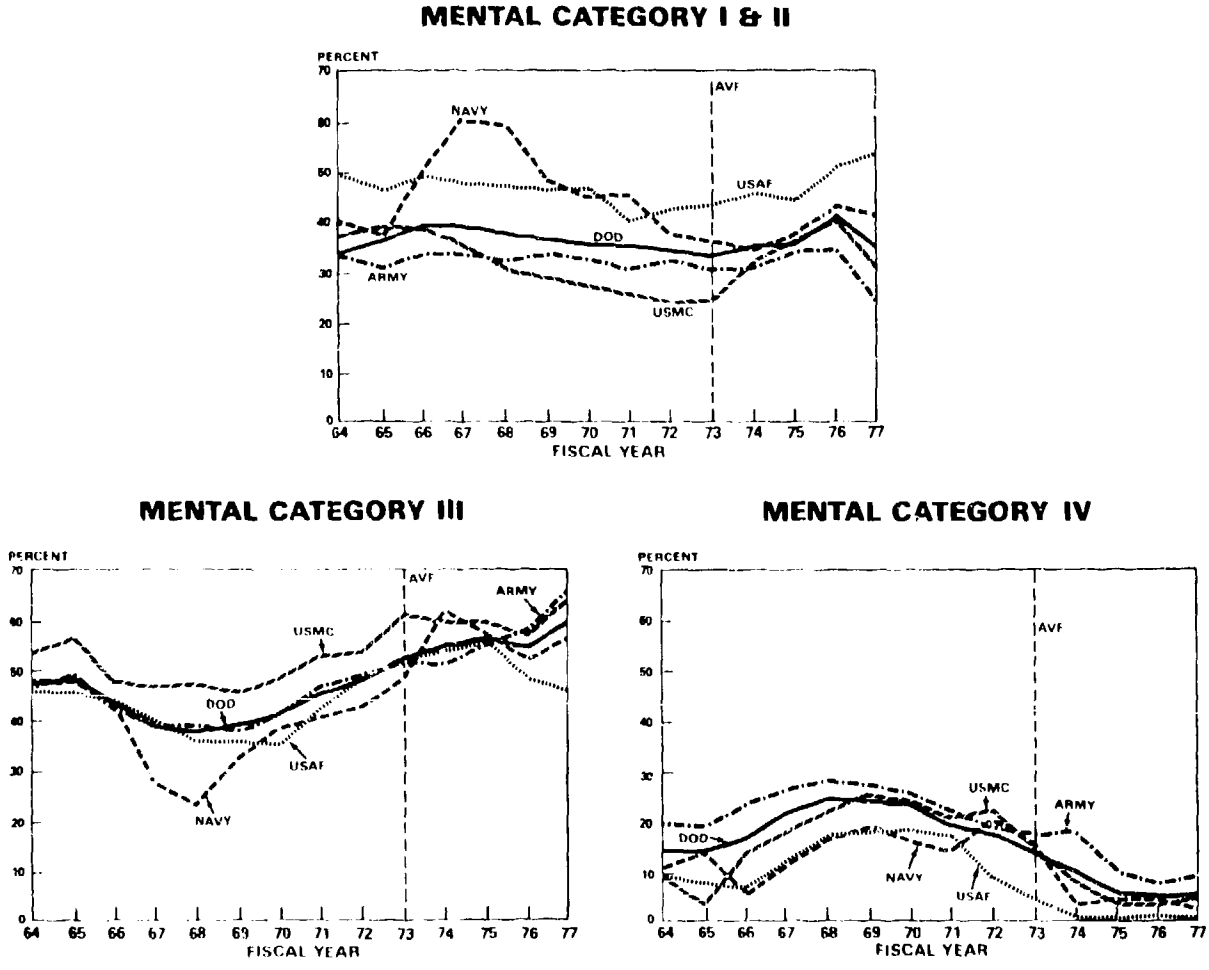
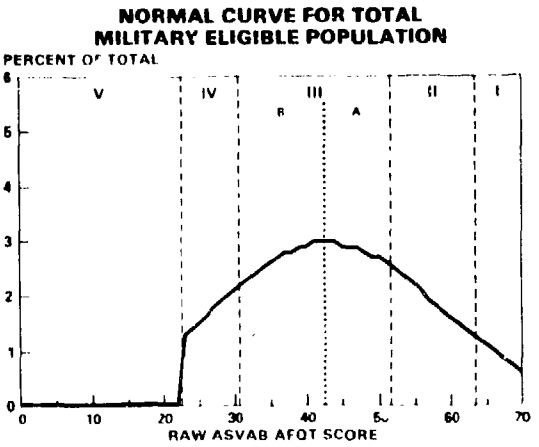
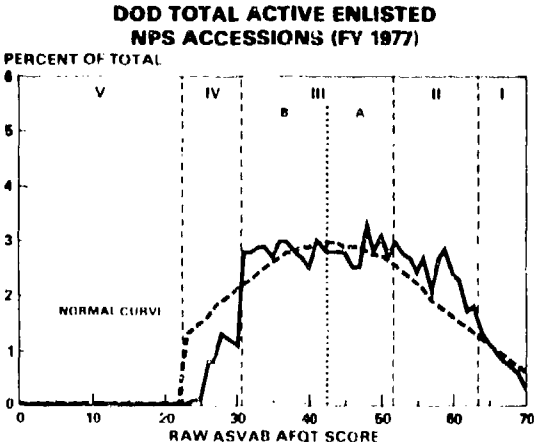
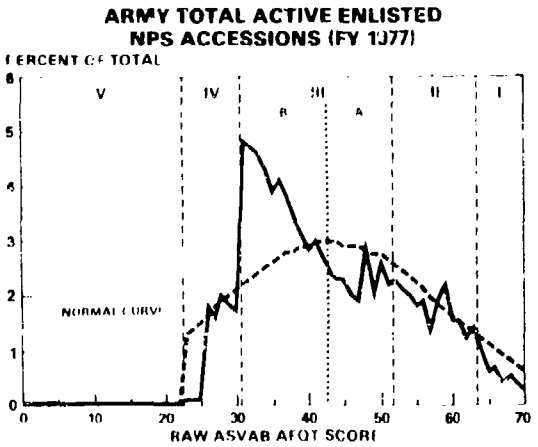


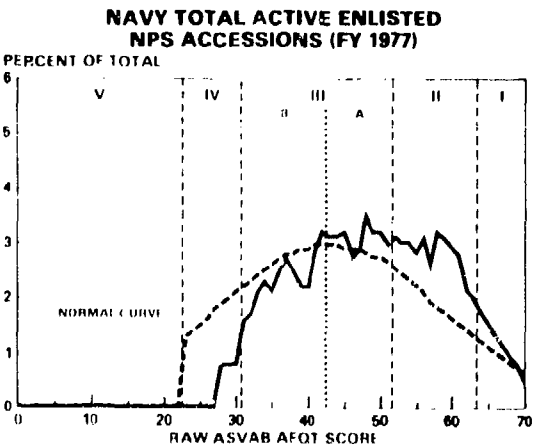
Figure 2-12

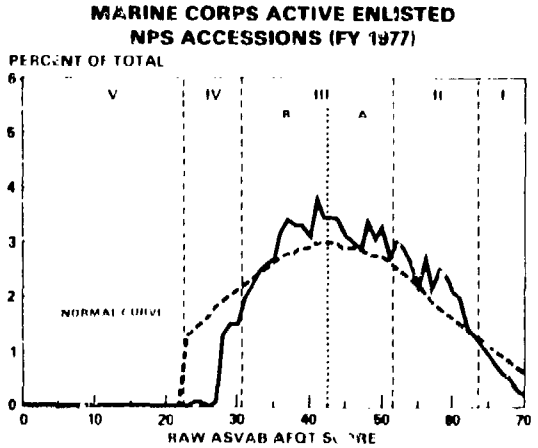
Distribution of FY 1977 NPS Accessions by Mental Quality

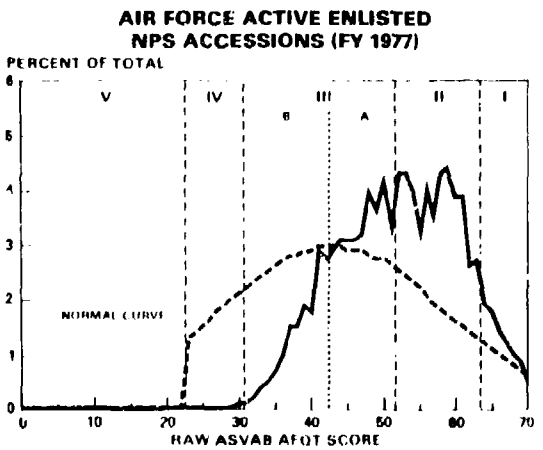












These data need to be put in perspective. The Army required 43% of the total non-prior service accessions and the Air Force only 19%. However, both Services received about the same amount (about 30%) of the high quality personnel, and the Air Force had much less than its share of the lower quality personnel. The Air Force took only 14% of the mental group III accessions (and most of these were III-A) and less than half of one percent of the total mental group IV accessions as compared to the Army's 48% of the total mental group III (mostly III B) and 78% of the mental group IVs, as shown on Table 2-1.

Table 2-1

FY 1977 Distributions of NPS Accessions by Mental Category

(Percent of DoD Total)

	I	II	III	IV	Total
Army	30	31	48	78	43
Navy	33	29	26	12	26
USMC	9	11	12	10	12
USAF	28	29	14	*	19

* Air Force received 0.4% of the total mental category IV NPS accessions.

Table 2-2 compares the mean AFQT percentile scores for the FY 1971 and FY 1977 NPS accessions by Service and a number of categories which account for large percentages of the intra-Service variance.

Table 2-2

Mean AFQT Percentile Scores

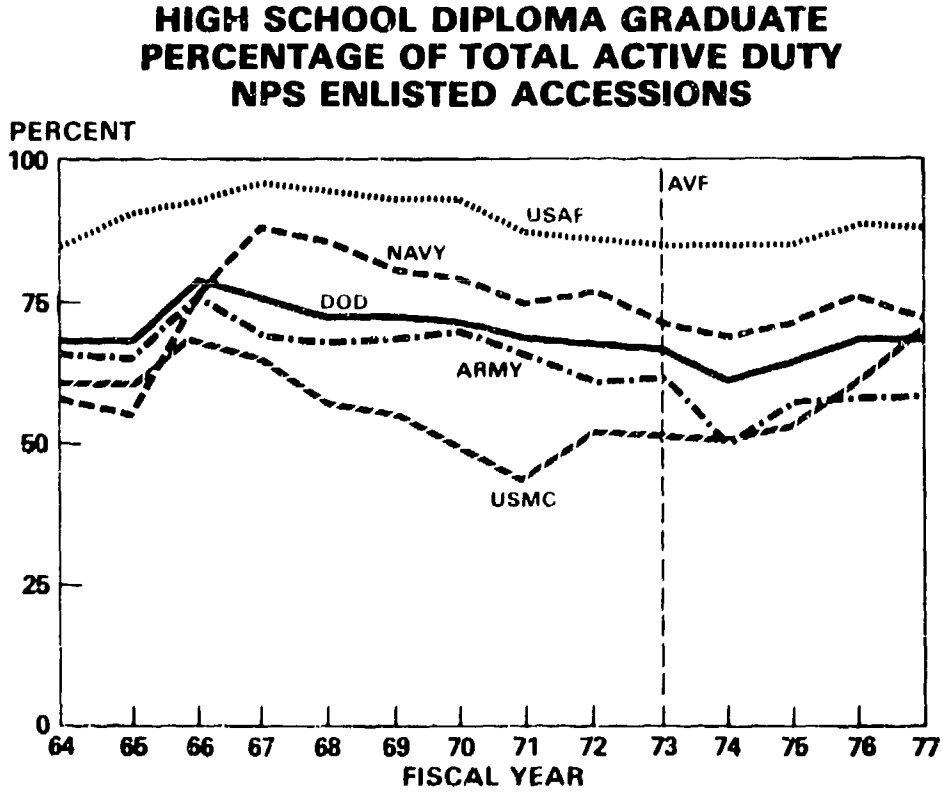
	ARMY	NAVY	USMC	USAF	Total DoD
Fiscal Year 1971					
Total NPS Accessions	52	60	49	57	54
Black	34	34	33	35	34
Non-black	55	63	52	61	58
High School Graduates	61	65	56	59	61
Non-High School Grads	41	48	43	44	43
Women	53	68	58	63	60
Men	52	60	49	57	54
Fiscal Year 1977					
Total NPS Accessions	52	62	57	67	58
Black	42	49	46	58	45
Non-Black	56	63	60	69	61
High School Graduates	55	64	58	67	60
Non-High School Grads	47	56	54	68	51
Women	74	68	75	68	72
Men	50	61	56	67	56

The average AFQT for accessions has increased by 4 points from an AFQT of 54 in FY 1971 to 58 in FY 1977. While the Army stayed the same at 52, many more male accessions in the Army were low III-B in 1977, and fewer were mental group IV. Increased numbers of high quality Army women brought up the average AFQT. The difference between the black and non-black average was still significant in FY 1977, but was less dramatic than in FY 1971. The black AFQT increased from 34 to 45 DoD wide and from 34 to 42 for the Army. The AFQT for high school diploma graduates was about the same for both years, but non-high school graduate AFQT was up from 43 in FY 1971 to 51 in FY 1977. The average AFQT for women has also increased dramatically from 60 in FY 1971 to 72 in FY 1977. Army and Marine Corps women were higher than Air Force and Navy women. The reverse was true for men.

Educational Levels

It is generally accepted that possession of a high school diploma is the best single measure of a person's potential for adapting to life in the military. High school graduates are more likely to compiete their terms of service than are their contemporaries who have not received a high school diploma. Thus, active forces recruiting programs have concentrated on enlisting high school diploma graduates. The outcome is shown in Figure 2-13. In FY 1977 the Services recruited 69% high school graduates compared to 68% for FY 1972, the last year of the draft, and 68% for FY 1964, the last pre-Vietnam year.

Figure 2-13

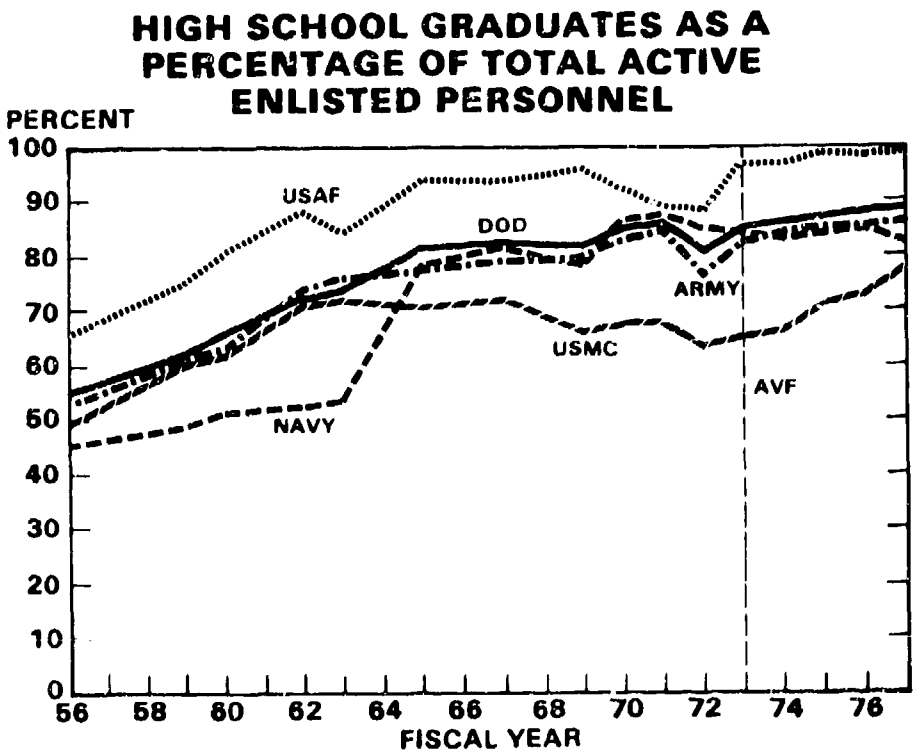


To put these high school graduate accessions percentages in perspective, about 75% of the 18 year old youth have graduated from high school, but almost half of these enter college and thus are not prime candidates for enlisted recruiting. The remaining 18 year old high school graduates (not enrolled in college) form the prime market for enlisted recruiting. There are about 1.7 million youth in this group, or about 40% of the 18 year old population. 5/ To maintain a 69% high school diploma graduate rate, the Services must enlist about 267,000 youth, or about 15% of the high school graduates who do not enroll in college. (The remaining 120,000 enlisted accessions are drawn from the 1 million non-graduates in each 18-year old cohort.) The recruiting problem is further complicated by the requirement that 9 out of 10 of these accessions must be men. There are about 790,000 18 year old men who are high schoool graduates not enrolled in college in each 18-year old cohort. About 236,000 young men, or 30% of the cohort, must be recruited by the military and about 30,000 women, or 3% of the 910,000 high school young women in the cohort, not enrolled in college.

While the percentage of accessions who are high school graduates has only slightly increased over the pre-Vietnam period, the percentage of the total active enlisted force with a high school education (including certificates) has reached the highest level ever recorded, as shown in Figure 2-14. In December 1977, 88% of the active enlisted force had a high school education or equivalent compared to 81% in December 1972, the time of the last draft call, and about 75% during 1964, the last year before the Vietnam draft increases. During the AVF period, the average educational level of persons entering active duty has been greater than the level of those leaving.

5/ Similarly, about 40% of all youth ages 18-24 years are high school graduates who are neither enrolled in college nor college graduates.

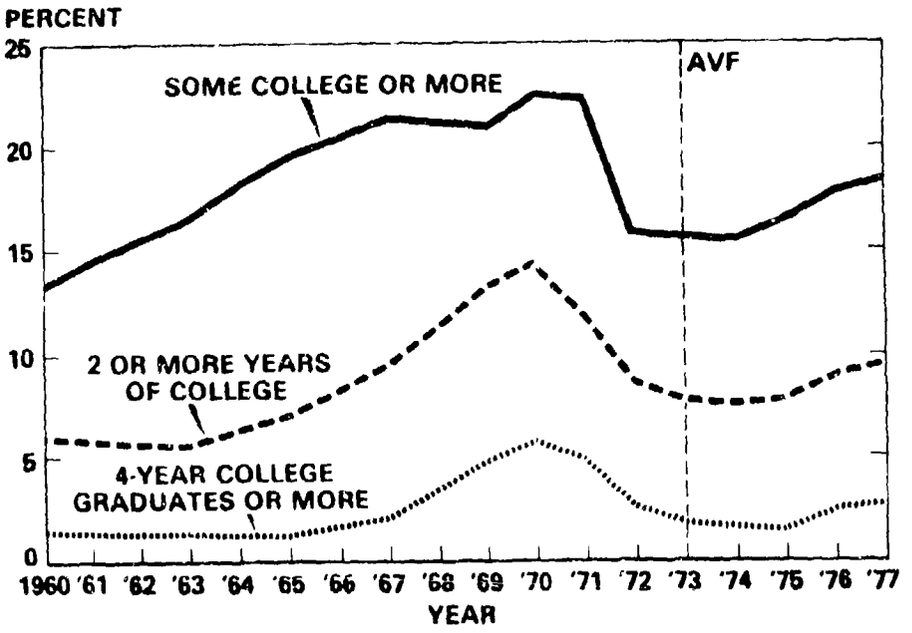
Figure 2-14



Requirements for baccalaureate level or higher college graduates in the active force are directed toward officer positions. At the present time there is no identified requirement for personnel with two year certificates or even some college experience. The Services have not directed their recruiting resources toward the college market for meeting enlisted accessions. However, 19% of the enlisted force had some college at the end of 1977, which was greater than any year since 1971 and greater than the pre-Vietnam levels, as shown in Figure 2-15. It should be noted that the sharp declines in the percentage of the enlisted force with higher education paralleled the decline in force size, while the recent increases have been under relatively stable strength conditions. This implies that in the early 1970s many enlisted personnel with higher education were draft motivated volunteers or draftees who did not enter the career force, while current increases may be motivated by career incentives or unemployment levels.

Figure 2-15

TRENDS IN HIGHER EDUCATION FOR THE ACTIVE ENLISTED FORCE



Reading Ability

While high school education has been a good indicator of a person's ability to adapt to military life, it is not as good an indicator of success in military training schools as is reading ability.There is increasing concern with the limited reading ability of some high school graduates and many non-graduates. In this sense, the military is a mirror of the society as a whole. Table 2-3 shows the estimated reading grade level for FY 1977 non-prior service enlisted accessions by Service. For example, 31% of the Army accessions and 39% of total DoD accessions could read at the 11th grade level or higher. The table shows comparable data for the civilian non-college pool i.e., 35% for 11th grade and above. Also shown is the percentage of applicants in each reading grade level who did not qualify for enlistment for any reason. (3% for 11th grade and above).

Table 2-3

Percent of FY 1977 NPS Enlisted Accessions
By Reading Grade Level

Grade Level	Army	Navy	Marine Corps	Air Force	Total	Civilian Non College	Applicants Not Qualified
11 and above	31	46	37	53	39	35	3
10	12	15	15	15	14	10	16
9	11	11	12	10	11	7	16
8	9	9	9	8	9	6	24
7	11	8	9	6	9	8	30
6	10	4	7	3	7	8	41
5	8	5	6	3	6	7	54
4	4	2	3	1	3	5	69
3	2	1	1	1	2	5	72
2 and below	1	1	1	0	1	5	81

Table 2-4 presents the data from Table 2-3 in cumulative format. By looking at reading level 6, one sees that 25% of Army accessions read at grade level 6 or lower, as compared to 12% for the Navy, 18% for Marine Corps, 8% for Air Force, 18% DoD wide and 35% for the civil sector. Over half of the applicants testing at reading level 6 or below were rejected by the Military Services.

Table 2-4

Cumulative Percent of FY 1977 NPS Enlisted Accessions
By Reading Grade Level

Reading Grade Level	Army	Navy	Marine Corps	Air Force	Total	Civilian Non College	Applicants Not Qualified
All	100	100	100	100	100	100	28
10 and Below	69	54	63	47	61	65	38
9 and Below	57	40	48	31	47	55	43
8 and Below	46	29	36	21	36	49	47
7 and Below	37	20	27	13	28	43	53
6 and Below	25	12	18	8	18	35	59
5 and Below	15	8	11	5	11	26	65
4 and Below	8	4	5	2	5	17	73
3 and Below	4	2	2	1	2	10	76
2 and Below	1	1	1	0	1	5	81

Since reading data were not collected during the draft years, no trend information is available. Two general observations can be made. First, the reading ability of military accessions is significantly better than the population from which they are drawn; and, second, there is an imbalance among the Services in reading ability of their accessions. The Air Force has a disproportionately larger share of better readers, while the Army has a disproportionately larger share of the poorer readers. To some extent this may be desirable given the mission of the various Services, but the Army is acquiring more and more sophisticated equipment and thus is becoming more like the Air Force and Navy. For many of the technical skills in all Services, limited reading ability appears to be the major cause of failure to complete training.

The Services are developing and testing an adaptation of the Armed Services Vocational Aptitude Battery (ASVAB) to provide information on reading ability of potential enlistees. Remedial reading programs are being used and technical manuals are being rewritten at lower reading levels with more illustrations. While the military is not in a position to significantly change high school programs, better reading screens and additional work in improving the reading ability of personnel may significantly reduce training losses.

Changes in Representativeness of Force

During the debate on the AVF in the early 1970s, there was concern that under the AVF the Armed Forces would become an Army of the black and the poor, primarily recruited from the South. This section addresses representativeness in terms of racial mix, geographical distribution and economic background of accessions. The increasing role of women is discussed in Chapter 3.

Blacks in the Officer Force

Figure 2-16 shows the trends of black officer accessions since FY 1964. Black officer accessions have increased from 1.6% of all officer accessions in FY 1972 prior to the AVF to 5.4% in FY 1977. This is close to the national average of 5.7% male college seniors who are black. 6/ At 7.3% the Air Force had the highest proportion of officer accessions who were black for FY 1977; and the Navy had the lowest at 3.2%. In FY 1977 the Army officer accessions were 6.1% black as compared with 6.8% and 7.1% in the two previous years. Marine Corps black officer accessions were also down from 5.3% in FY 1975 to 3.3% in FY 1977.

6/ Source: Higher Education General Information Survey, National Center for Education Statistics, HEW, Fall 1976.

Figure 2-16

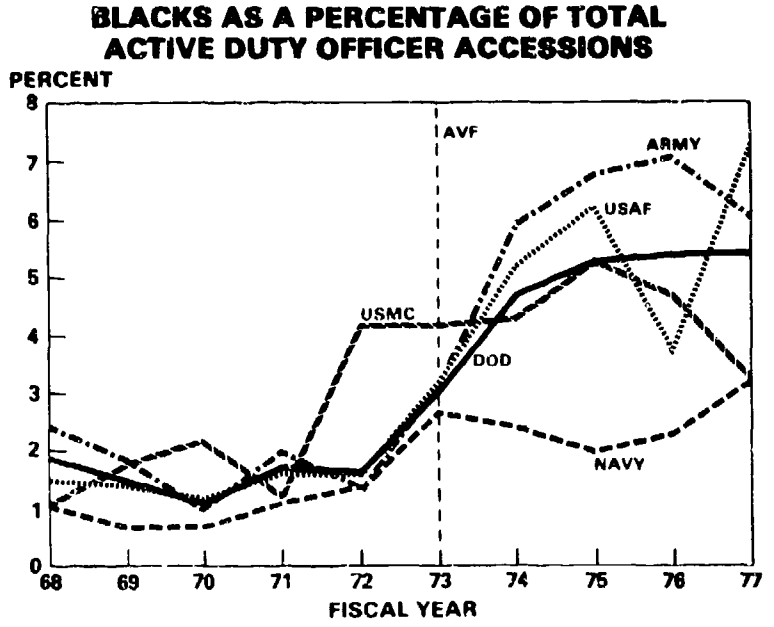
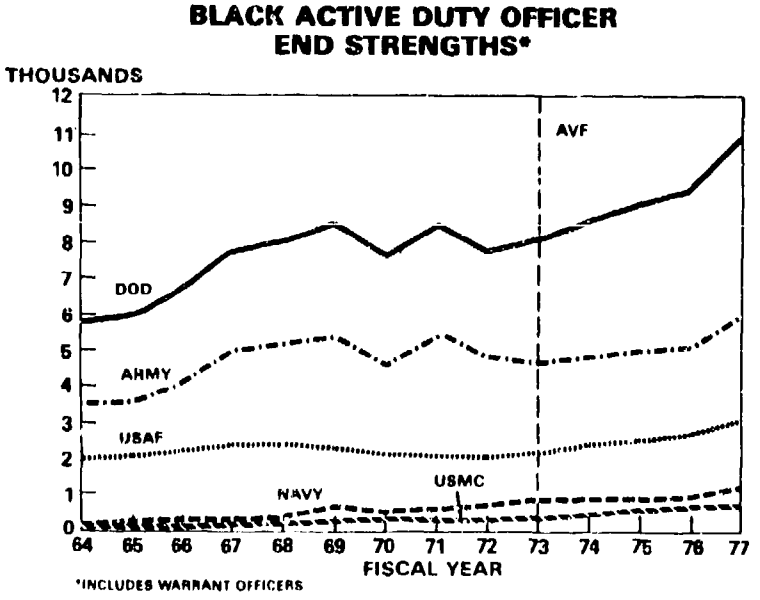


Figure 2-17

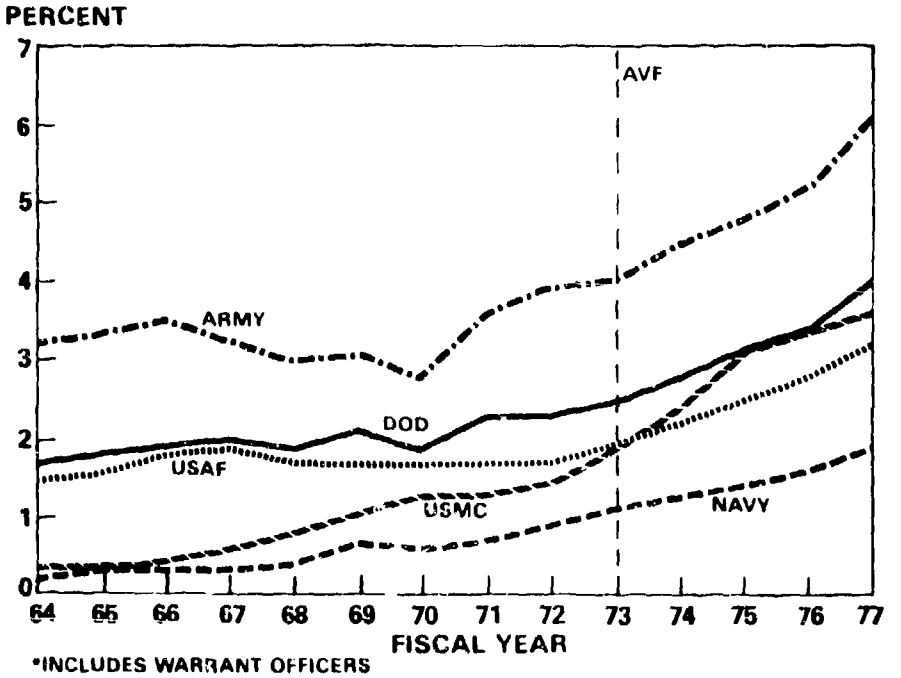


These accession patterns resulted in the black officer strengths shown in Figure 2-17. The number of black officers increased by 88% from FY 1964 through FY 1977.

When the reduction in overall officer strengths as a result of the post-Vietnam drawdown is considered, the increase is even more impressive. The percentage of all officers who are black has more than doubled since FY 1964 when it was 1.7% to FY 1977 when it was 4%. The Army is up from a low of less than 3% in FY 1970 to 6% in FY 1977.

Figure 2-18

BLACKS AS A PERCENTAGE OF TOTAL ACTIVE DUTY OFFICERS*



While less than representative of the total black youth population, black officer accessions are generally representative of the college educated black youth population, and the overall black officer strengths are becoming more representative under the AVF.

Blacks in the Enlisted Force

Figure 2-19 shows the trends since FY 1964 in black accessions. In FY 1964 blacks comprised about 10% of the NPS active duty enlisted accessions. The black accessions under the AVF have grown so that by FY 1977, 20% of the NPS accessions were black. In the Army, blacks represent almost 30% of total active duty NPS accessions. To put these figures in perspective, about 9% of the youth qualified for military service are black.

Figure 2-19

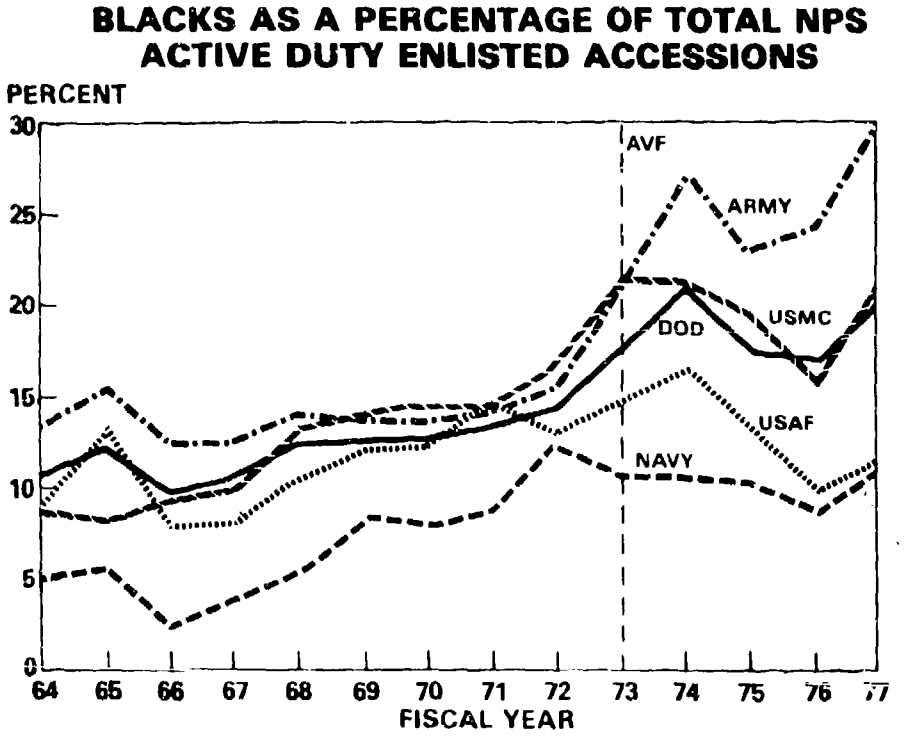


Figure 2-20 shows the number of black enlisted personnel by Service. The increase in the black content since 1972 is a product of both the increasing accession rates for blacks and the higher than average reenlistment rates among black enlisted personnel. Under the AVF, the number of black enlisted personnel has returned to the levels of the Vietnam peak. However, because force sizes are down, this has resulted in major increases in the percentage of blacks in the enlisted force. In FY 1977, 18% of the enlisted force was black as compared with 10% in FY 1964. The Army has historically had the highest black content and the Navy the lowest. The pre-AVF trends have generally continued under the AVF, as shown in Figure 2-21.

Figure 2-20

BLACK ACTIVE DUTY ENLISTED END STRENGTHS

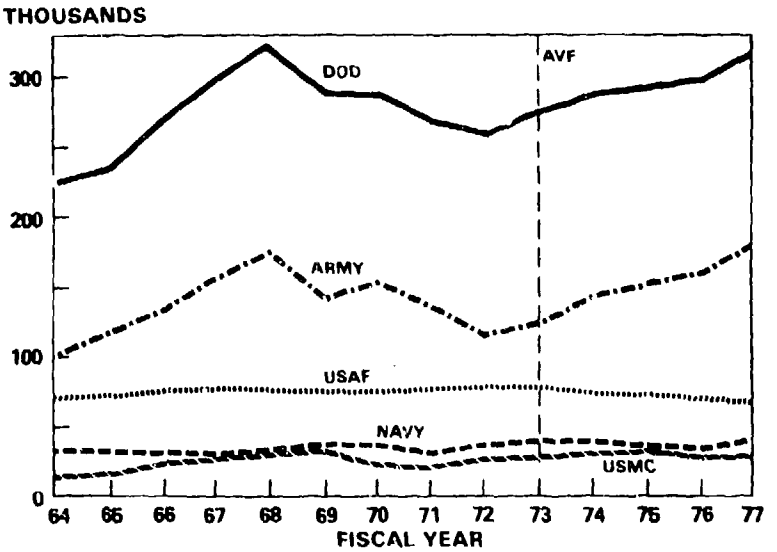
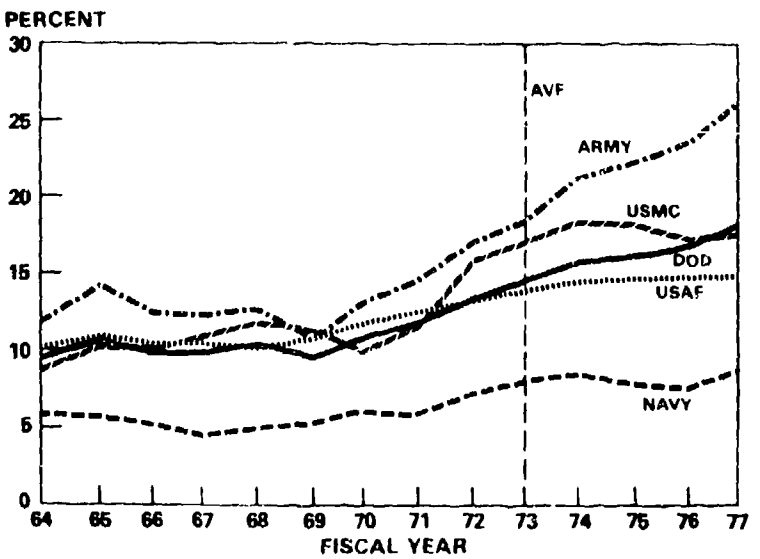


Figure 2-21

BLACKS AS A PERCENTAGE OF ACTIVE DUTY ENLISTED END STRENGTHS



Geographic and Economic Characteristics

During the draft years, the conscription system generally provided a well-balanced pattern of accessions into the armed forces from a geographical perspective. Each state had its "quota" for Selective Service inductees that was related to that state's proportion of the draft-eligible population. However, differences in regional education systems, volunteer rates, health conditions, etc., created some qualitative differences among areas of the country.

The AVF today shows an enlistment pattern which is almost an exact mirror of the geographic distribution of the youth population. For example, the ten most populous states with 52% of the 17 to 21-year old population supplied 53% of male enlisted accessions to DoD in FY 1977. Table 2-5 summarizes the data by regions, while Table 2-6 displays these percentages by Service for all states by order of youth population.

Table 2-5

Regional Distribution of FY 1977 NPS Accessions

Region	Percent of Youth 17-21	Percent of Service Accessions ARMY	NAVY	USMC	USAF	DOD
New England a/	5.3	5.2	6.0	6.2	7.2	6.0
Middle Atlantic b/	16.3	15.3	16.8	17.6	16.6	16.2
East North Central c/	19.0	18.5	18.8	21.7	18.3	19.1
West North Central d/	7.6	7.0	7.3	8.9	8.1	7.4
South Atlantic e/	16.1	19.4	14.9	13.8	15.0	16.7
East South Central f/	6.6	7.5	5.6	5.1	5.4	6.3
West South Central g/	9.9	8.9	9.4	9.0	10.5	9.3
Mountain h/	5.0	4.3	5.5	4.8	5.6	4.9
Pacific i/	12.6	12.2	15.2	12.6	13.1	13.2
Other j/	1.5	1.7	.5	.3	.2	.9

a/ Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut
b/ New York, New Jersey, Pennsylvania
c/ Ohio, Indiana, Illinois, Michigan, Wisconsin
d/ Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas
e/ Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida
f/ Kentucky, Tennessee, Alabama, Mississippi
g/ Arkansas, Louisiana, Oklahoma, Texas
h/ Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Nevada Utah
i/ Washington, Oregon, California, Alaska, Hawaii
j/ Puerto Rico, American Samoa, Guam, Canal Zone and Virgin Islands

Table 2-6

Distribution of NPS Accessions for FY 1977
(States Ranked by Youth Population)

STATE	Percent of Youth 17-21	Percent of Service Accessions ARMY	NAVY	USMC	USAF	DOD
California	9.3	8.9	10.8	9.7	9.5	9.6
New York	7.7	7.6	8.1	9.1	8.4	8.1
Texas	5.8	5.3	6.0	5.7	6.7	5.8
Pennsylvania	5.3	5.0	5.3	5.0	5.7	5.2
Ohio	5.0	5.7	5.3	5.2	5.8	5.6
Illinois	4.9	4.4	4.3	5.5	3.7	4.4
Michigan	4.4	4.1	4.8	4.6	4.2	4.4
Florida	4.1	4.9	4.5	3.8	5.1	4.7
New Jersey	3.3	2.7	3.4	3.5	2.5	2.9
Massachusetts	2.5	2.1	2.5	3.1	3.2	2.6
(Cumulative-First 10)	(52.3)	(50.7)	(55.0)	(55.3)	(54.8)	(53.3)
Indiana	2.5	2.4	2.6	2.9	2.5	2.6
North Carolina	2.5	3.4	2.0	1.6	2.2	2.6
Georgia	2.4	3.1	2.3	1.8	2.0	2.5
Virginia	2.3	2.7	1.9	2.2	1.8	2.3
Wisconsin	2.2	1.9	1.8	3.1	2.1	2.1
Missouri	2.1	2.3	2.3	2.8	2.8	2.5
Tennessee	2.0	2.2	1.9	1.7	1.8	2.0
Louisiana	1.9	1.5	1.4	1.7	1.3	1.4
Minnesota	1.9	1.6	1.9	2.0	1.9	1.8
Maryland	1.9	2.0	1.8	1.9	1.7	1.9
(Cumulative-First 20)	(74.0)	(73.8)	(74.9)	(77.0)	(74.8)	(75.0)
Alabama	1.8	2.2	1.6	1.4	1.4	1.8
Washington	1.6	1.7	2.1	1.5	1.8	1.8
Kentucky	1.6	1.7	1.3	1.3	1.2	1.4
South Carolina	1.4	1.8	1.2	.9	1.0	1.4
Connecticut	1.3	1.3	1.6	1.3	1.6	1.4
Iowa	1.3	1.2	1.1	1.7	1.2	1.2
Colorado	1.3	1.1	1.8	1.6	1.5	1.4
Mississippi	1.2	1.4	.8	.7	1.0	1.1
Oklahoma	1.2	1.1	1.1	.8	1.4	1.1
Arizona	1.2	1.3	1.2	1.2	1.8	1.3
(Cumulative-First 30)	(87.9)	(88.6)	(89.6)	(89.4)	(88.6)	(88.9)

Table 2-6 (cont'd)

Distribution of NPS Accessions for FY 1977
(States Ranked by Youth Population)

STATE	Percent of Youth 17-21	Percent of Service Accessions ARMY	NAVY	USMC	USAF	DOD
Oregon	1.1	1.0	1.8	1.0	1.1	1.2
Kansas	1.0	.8	.9	1.0	.8	.8
Arkansas	1.0	1.0	.9	.8	1.1	1.0
West Virginia	.9	.7	.6	1.0	.7	.7
Nebraska	.7	.6	.6	.9	.7	.6
Utah	.6	.3	.3	.2	.4	.3
New Mexico	.6	.7	.8	.6	.7	.7
Maine	.5	.6	.7	.4	.9	.7
Rhode Island	.4	.4	.4	.6	.5	.5
Idaho	.4	.3	.4	.3	.4	.5
(Cumulative-First 40)	(95.1)	(95.0)	(97.1)	(96.2)	(95.9)	(95.9)
Montana	.4	.3	.5	.5	.4	.4
Hawaii	.4	.5	.4	.3	.6	.5
New Hampshire	.4	.5	.5	.6	.7	.5
South Dakota	.3	.3	.3	.3	.4	.3
North Dakota	.3	.2	.2	.2	.3	.2
Delaware	.3	.3	.3	.2	.4	.3
Nevada	.3	.2	.3	.3	.3	.3
Vermont	.2	.3	.3	.2	.3	.3
Wyoming	.2	.1	.2	.1	.1	.1
Alaska	.2	.1	.1	.1	.1	.1
(Cumulative-50 States)	(98.2)	(97.8)	(99.2)	(94.3)	(99.8)	(98.9)
Puerto Rico	1.5	1.3	.3	.1	.1	.7
District of Columbia	.3	.5	.3	.4	.1	.3
Guam, Virgin Islands, Canal Zone & American Samoa	.1	.4	.2	.2	.1	.2
Total	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)

An analysis by Postal Zip Code by the Rand Corporation 7/ shows the same result. AVF accessions today are geographically representative of the youth population.

Not only does the Rand Study show a geographical representation, but it also shows representativeness by family income. The Zip Code Areas are ranked by average income as reported in the 1970 Census. Table 2-6 from the Rand Study, compares the percentage of the male enlisted accessions from these Zip Code areas under the draft and AVF.

Table 2-7

Distribution of Male Enlisted Accessions by SMSA Zip Codes Ranked According to Average Family Income a/ (percent)

Percentile b/	Income Range c/ ($000s)	Enlisted Accessions d/		16-21 Male Population e/	
		Draft	AVF	All	N.S.
99	$24.5	0.38	0.34	1.06	0.43
95-99	$17.0-$24.5	2.84	2.67	5.13	2.59
90-95	$14.7-$17.0	5.08	4.93	7.36	4.61
75-90	$12.2-$14.7	19.33	18.95	20.83	16.65
50-75	$10.3-$12.2	29.88	29.70	28.56	28.01
25-50	$8.4-$10.3	25.17	25.23	22.63	27.70
10-25	$6.3-$8.4	13.21	13.99	12.13	16.70
5-10	$1.3-$6.3	2.88	3.02	2.10	2.91
5	$1.3	1.24	1.18	0.19	0.42

a/ Reports the percentage distributions for total DoD enlisted accessions (inductions and enlistments) by percentile rankings of five-digit Zip codes located in Standard Metropolitan Statistical Areas, SMSA five-digit Zip codes were ranked according to average family income within the Zip code, and then grouped into percentile groupings. Accessions were then matched with these percentile groupings by using the home address Zip code for each enlistee or inductee. Sources: U.S. Census and Manpower Research and Data Analysis Center, OASD(M&RA), provided the data tapes.

b/ Percentile rankings, based on within Zip code average family income, for five-digit SMSA Zip codes. Based on 10,708 five-digit Zip codes out of 11,972 Zip codes located in SMSAs (data on either population or income were not available for the remaining 1,264 Zip codes).

c/ The range of within Zip code average family incomes for each percentile grouping. Based on 1969 incomes reported in the 1970 census.

d/ Percentage distributions for DoD enlisted accessions (see note above). Time periods draft, 1/71 through 12/72; AVF, 1/73 through 6/75.

e/ Percentage distributions for all 16 to 21 year-old males residing in these Zip codes (ALL) and those not enrolled in school (N.S.).

7/ Richard V.L. Cooper, Military Manpower and the All-Volunteer Force, Santa Monica, California; RAND R-1450-ARPA, September 1977, pp. 223-229.

The Rand study shows that both upper and lower income areas tend to be underrepresented during the draft and under the AVF. This would indicate that the shift to the AVF did not change economic representativeness significantly.

Many young men from upper income families used the Selective Service deferment and exemption options to avoid military duty during the draft. As a result, there was a smaller proportion of recruits from this segment of society than from the so-called middle class. Sons of middle class people could not so readily take advantage of deferments or exemptions, yet were generally bright and healthy enough to be accepted for military service. At the lower end of the economic spectrum, the substandard education and health care of many poor families precluded proportionate numbers from qualifying for enlistment or induction. For example, more than 50% of potential inductees from poor families were rejected during the Vietnam War years. Today's higher enlistment standards have continued that trend. The results of the Rand Zip Code analysis were confirmed by the study of parental income as reported by enlistees at the Armed Forces Entrance and Examination Stations (AFEES). Table 2-8 shows that the parental income of enlisted accessions approximates that of the U.S. family at large.

Table 2-8

Active Duty NPS Enlistees by Parent Earnings*

	Percent					
Dollars	Army	Navy	Marine Corps	Air Force	DoD	U.S Family
0-2,900	9	4	9	4	6	5
3,000-7,999	24	18	21	18	20	21
8,000-10,999	20	16	17	18	18	14
11,000-13,999	15	18	16	19	17	15
14,000-19,999	19	23	24	25	22	22
20,000- +	14	21	14	16	16	22

* DoD data based on May 1975 AFEES Survey which asked recruits to state parental or family income. U.S. family earnings based on March 1975 data from the U.S. Department of Commerce, Bureau of Census.

Data for officers has not been collected, but they would be expected to increase the percentages in the armed forces from higher income families, further improving the fit to the .S. family distribution.

Changes in Other Manpower Factors

A number of other manpower factors have changed under the AVF, including longer initial active service commitment, increases in the number of military personnel with dependents, more time spent in the Delayed Entry Program (DEP) prior to initial training, and decreases in disciplinary infractions. Changes in medical services are covered in Chapter 4.

Initial Active Duty Service Commitment

The average initial active duty service commitment for enlisted personnel has increased under the AVF. During the draft DoD depended largely on 2-year commitments for combat skills in the Army and Marine Corps. The 2-year enlistment option was eliminated in FY 1975 and the minimum term of initial service became three years. Table 2-9 shows the percent of NPS accessions by term of initial active duty commitment since FY 1964.

Table 2-9

Length of Enlisted Commitment for DoD*
(Percentage of Active NPS Enlisted Accessions)

	2 YR	3 YR	4 YR	5 YR	6 YR	Average Length (Years)
FY 1964	33	27	40	1	1	3.1
FY 1965	35	24	40	1	1	3.1
FY 1966	47	19	34	1	1	2.9
FY 1967	44	24	32	1	1	2.9
FY 1968	51	22	27	1	1	2.8
FY 1969	44	24	32	1	1	2.9
FY 1970	48	23	29	1	1	2.9
FY 1971	43	23	34	1	1	2.9
FY 1972	21	20	50	4	5	3.5
FY 1973	18	26	42	6	8	3.6
FY 1974	13	41	39	1	7	3.4
FY 1975	13	37	44	1	5	3.5
FY 1976	1	41	54	1	5	3.7
FY 1977	0	40	55	1	4	3.7

*Includes draftees who had a 2-year commitment.

The increased term of enlistment has been offset somewhat by higher losses for the first term of service since FY 1974. This unfavorable trend in first term attrition, which is now being reversed, is discussed in Chapter 3. Longer initial tours reduce required accession levels and training costs. The Army estimates that they saved $168 million in FY 1978 as a result of longer initial tours. 8/

The elimination of 2-year tours does not receive universal praise. The Army liked the 2-year combat arms tour. The shorter enlistment was believed to induce college-bound youth to seek out, rather than to avoid, the combat arms skills. It also fit well with an 18 to 24 month tour of duty in Europe.

In FY 1978, the Congress directed that the Secretary of Defense conduct a test of 2-year enlistments and increased educational benefits to determine if they opened a new market among college-bound youth. 9/ This test will be conducted in FY 1979. Initial results will be available within a year, but the total effect of the change cannot be assessed for about three years.

Discipline

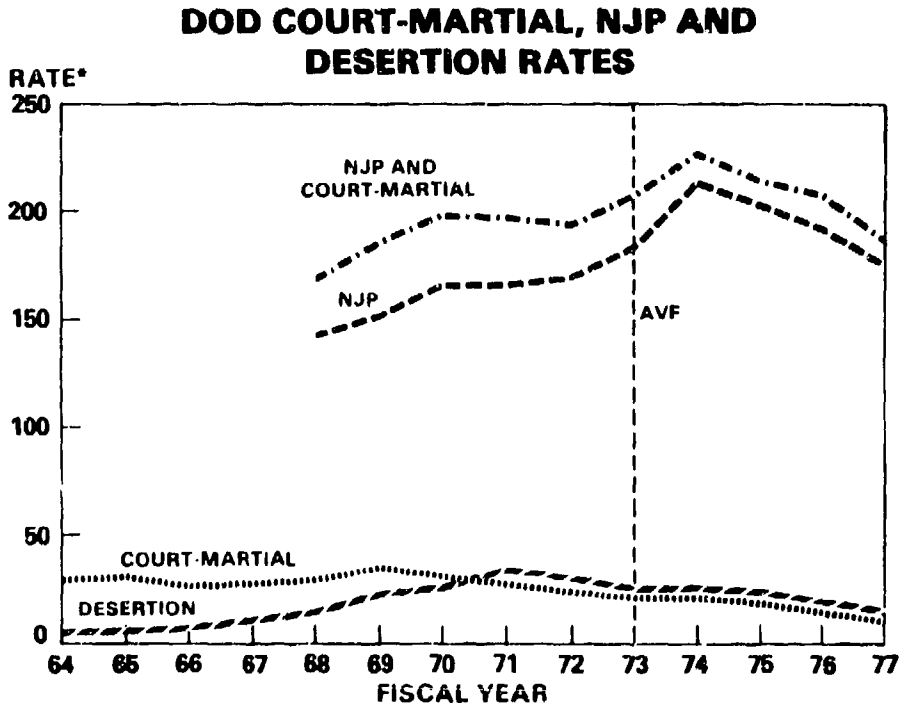
The state of military discipline in the active force as evidenced by the number of disciplinary infractions resulting in courts-martial or nonjudicial punishments has improved under the AVF, as shown in Figure 3-19. The DoD-wide court-martial rate, defined as the number of courts-martial per 1000 enlisted personnel per year, has declined from a high of 36 in FY 1969 to 12 in FY 1977. The steady increase in the nonjudicial punishment rate (defined as the number of UCMJ Article 15 punishments per 1000 enlisted personnel per year) that occurred during the latter years of the draft was brought under control in the early AVF years. The rate peaked at 211 per 1000 enlistees in FY 1974 and was down to 170 in FY 1977. The total disciplinary actions (courts-martial plus nonjudicial punishments) per 1000 enlisted personnel per year has likewise improved steadily since FY 1974. Another indicator of performance, desertions (absence without leave in excess of 30 days), have also shown a favorable trend under the AVF. The desertion rate has declined steadily from an FY 1971 high of nearly 40 desertions per 1000 enlisted personnel to 18 in FY 1977.

Figure 2-22 shows composite DoD data for these disciplinary indicators. Individual Service trends for each indicator are shown on Figures 2-23 thru 2-26.

8/ Director, Program Analysis, Report on the Cost Differential Between the All Volunteer Army and a Draft Army FY 1978-1988, Department of Army, January 1978.

9/ Report 95-1402, Conference Report to Accompany H.R. 10929, Committee on Armed Service, 95th Congress 2nd Session, July 31, 1978, p. 49.

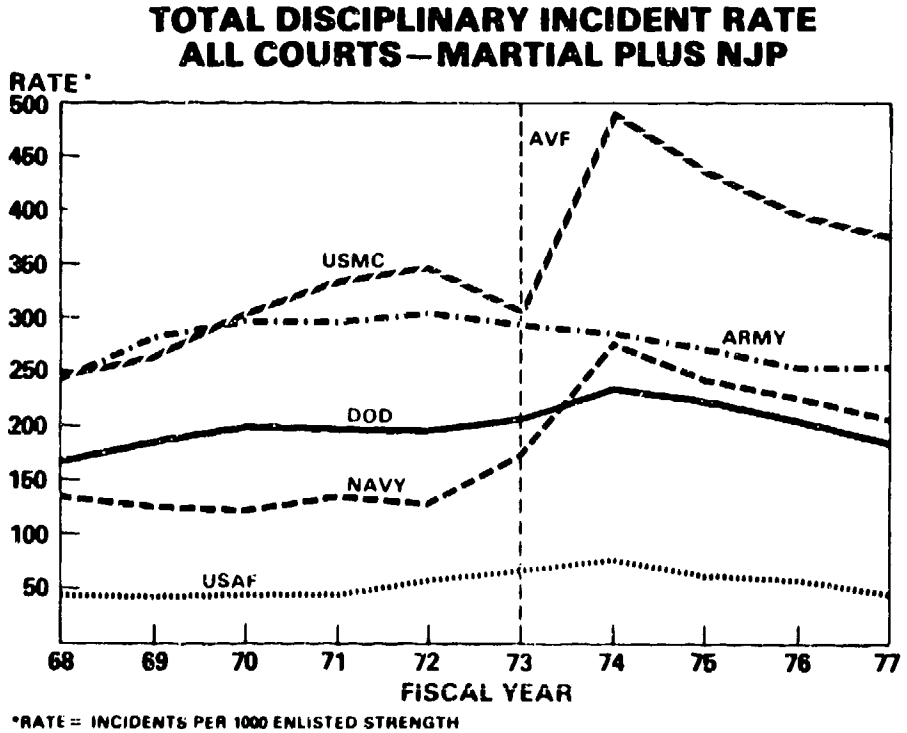
Figure 2-22



* Rate = Incidents per 1000 enlisted strength.
Due to change in NJP authority, data prior to 1968 are not comparable to FY 1977 data.

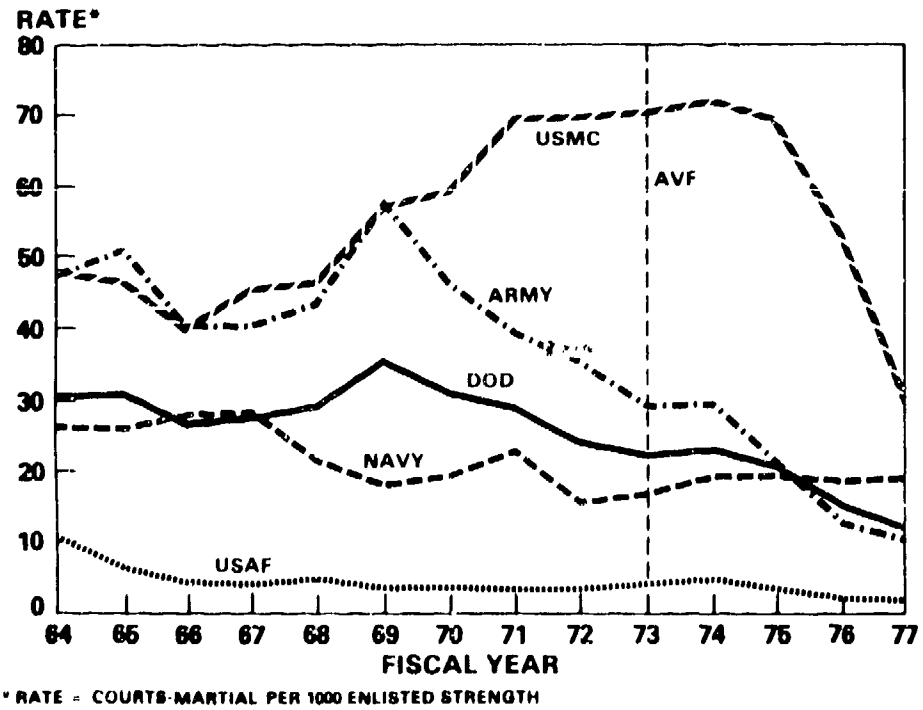
In all of the Services, the total disciplinary action rates have improved under the AVF, as shown in Figure 2-23. The rate peaked in FY 1974 for the Navy, Air Force, and Marine Corps and reached a maximum in FY 1972 for the Army. The rates have been steadily declining in all of the Services since these peak years.

Figure 2-23



*RATE = INCIDENTS PER 1000 ENLISTED STRENGTH

Figure 2-24

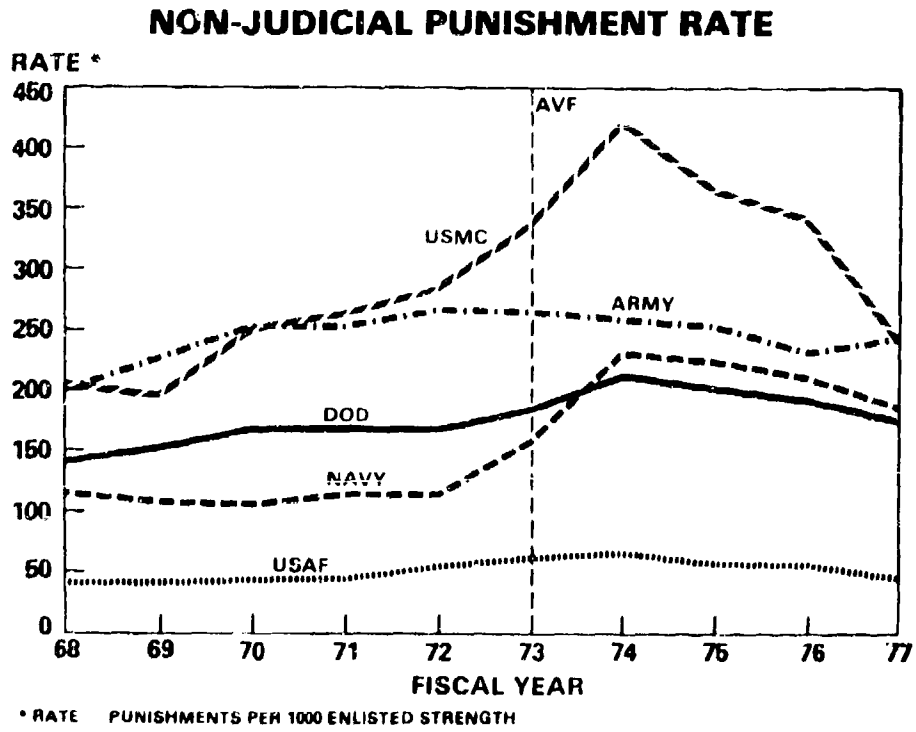


* RATE = COURTS-MARTIAL PER 1000 ENLISTED STRENGTH

The court-martial rates are displayed separately in Figure 2-24. Again, although there is considerable disparity in the rates among the Services, the trends for all of the Services indicate improvement under the AVF. In all cases, the court-martial rate for a given Service was lower in FY 1977 than during the draft era including pre-Vietnam, as shown by comparing the recent rates with FY 1964 rates on Figure 2-24. The court-martial rates for all of the Services except the Navy have been decreasing since FY 1974. The Navy rate has remained relatively constant since FY 1974, but well below the FY 1964 level.

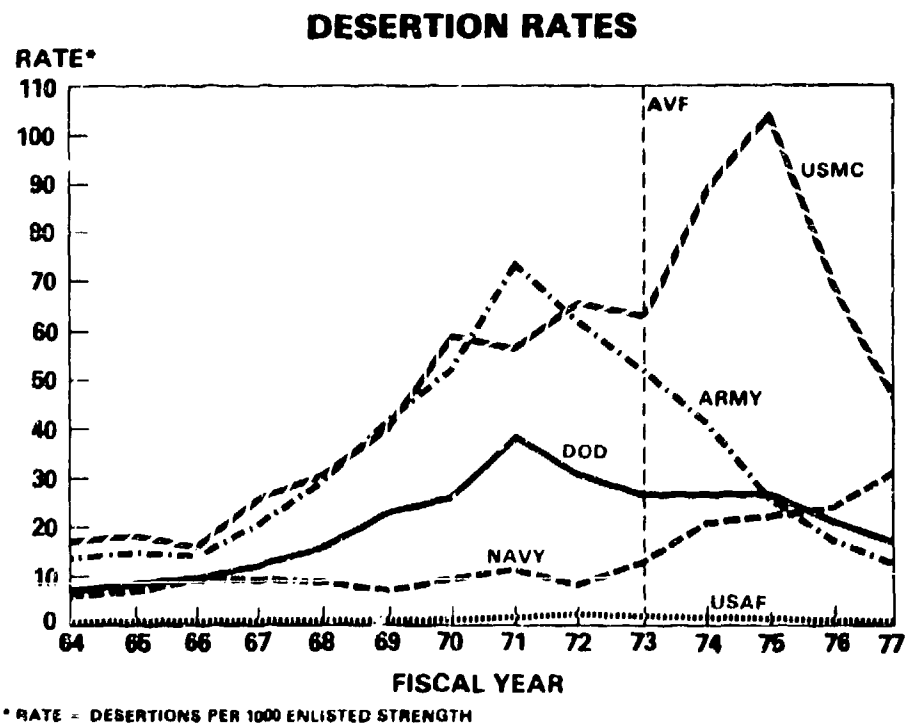
As shown on Figure 2-25, the variance in NJP was attributable to the Navy and Marine Corps. During the transition to the AVF, the Navy and Marine Corps recruited large numbers of low quality personnel. The improvement in the quality of accessions beginning in 1974 has reversed the rising NJP rate, especially in the Marine Corps. The Navy's higher NJP rate appears to be correlated with their desertion problem.

Figure 2-25



One of the more serious disciplinary problems is desertion, defined as absence without leave (AWOL) for more than thirty days. 10/ The Navy is the only Service with an increasing desertion rate, as shown in Figure 2-26. Navy desertions have risen steadily since FY 1972. The FY 1977 rate was 32 desertions per 1000 enlisted personnel compared to the pre-Vietnam rate of 6 per 1000 experienced in FY 1964. There is no evidence to suggest that this Navy problem is attributable to the AVF. Conversely, the down trends in desertion in the Army and Marine Corps would indicate that the Navy's problems are independent of the AVF. Difficult living conditions, long working hours, and rigorous inspection schedules in the Navy have all contributed to higher desertion rates. Much of the increases, in fact, have occurred in relatively few engineering ratings where working conditions are unusually arduous.

Figure 2-26



10/ These are admininstrative classifications and do not represent convictions.

The Army and Marine Corps desertion rates shown in Figure 2-24 have dropped rapidly and consistently from their peaks in FY 1971 and FY 1975, respectively. The Army rate in FY 1977 of 14 desertions per 1000 enlisted personnel was virtually the same as the pre-Vietnam (FY 1964) level. The Marine Corps desertion rate of 47 per 1000 in FY 1977, while improved greatly since FY 1975, was the highest among the Services and was higher than the FY 1964 Marine Corps level of 18 per 1000. The Marine Corps had a serious problem with large numbers of low quality accession in the early AVF years which exacerbated the desertion problem. The improving trend is desirable, but current desertion trends in the Marine Corps are still excessive. The Air Force desertion rate, which has historically been very low relative to the other Services, was 0.6 desertions per 1000 enlisted personnel in FY 1977. This was the same as its pre-Vietnam (FY 1964) level. With the exception of the Navy desertion problem, the general trend in disciplinary actions has been favorable since the introduction of the AVF.

Other Changes

Two additional changes occurred during these years--the number of enlisted personnel with dependents and the use of the delayed entry program both dramatically increased.

In the Army, the percentage of enlisted personnel with dependents has increased by 30%. Now about half of the enlisted personnel have dependents. This change does not appear to be directly linked to the AVF decision, but is presented in more detail in Appendix E for those who might wish to examine the changes more closely.

On the other hand, the increase in the use of the delayed entry program (DEP) is a direct result of the AVF. During the draft years the Selective Service System, either through direct calls or draft induced enlistments, assured a smooth flow of accessions into the training programs. With the end of the draft, expanded use of the DEP assumed that role. Young people could be recruited and their commitments "banked" to assure a smooth flow of accessions during the year. In FY 1971, less than 15% of the accessions passed through the DEP. By FY 1977 the rate exceeded 80%. Since time in the DEP before training counts against the six year military obligation and counts as longevity for pay purposes, the policy has reduced the post active duty commitment, which is an important mobilization resource, and has made some increases in manpower costs. The DEP is discussed in more detail in Appendix F.

CHAPTER 3 - FUTURE ACTIVE FORCE ACCESSION PROSPECTS

The preceding chapter addressed the active force under the AVF through FY 1977. This chapter looks to the future through 1990. First, the factors affecting the supply of high quality youth 1/ over the next twelve years are considered, then supply projections by service are developed and, finally, the initiatives available to offset potential shortfalls, both those already taken and others to be used as necessary, are examined.

During the discussions in this chapter, it is important to remember that the issue is primarily one of quality, not quantity. All estimates indicate that more than enough volunteers can be recruited if the number of mental group IV and non-high school graduates is allowed to increase.

One problem in the years ahead is that population trends will increase the competition for the young males with a high school diploma who constitute the primary recruiting pool for military service. One alternative would be to raise military pay in order to remain competitive with the private sector. This analysis assumes, however, that such increases will not be necessary and that improved management and more effective recruiting will provide the necessary number of recruits.

Factors Affecting Active Force Supply

Previous studies and analyses of military recruiting have identified a number of factors that may affect active force supply in the coming years. These include the size of the youth population, the degree of competition from other segments of the labor force and from educational institutions; unemployment rates for youth; military pay levels; and recruiting and advertising activities. Additionally, other factors such as training, travel and individual preferences for military service are often identified as important by prospective recruits but are more difficult to quantify.

Population Trends

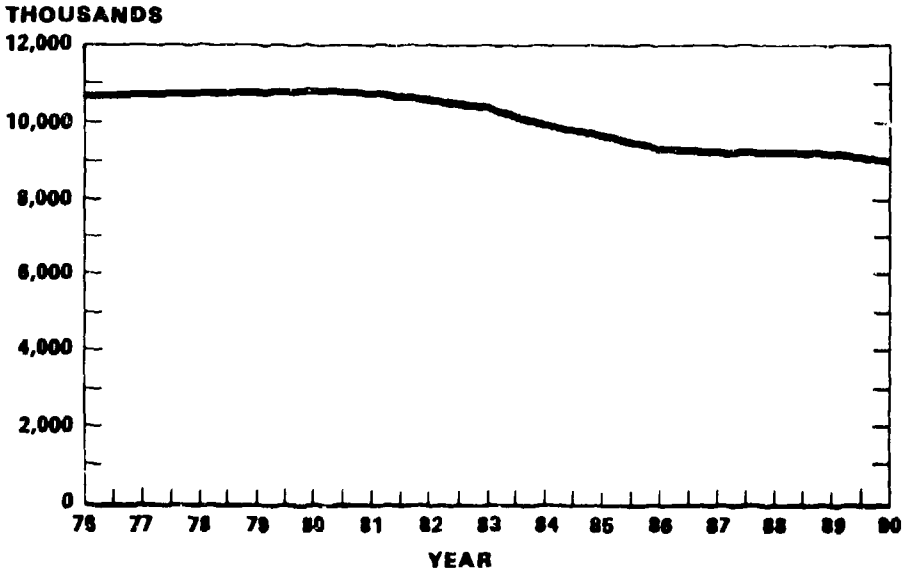
The prime recruiting pool for the active military consists of males in the 17-21 age group. Figure 3-1 shows the latest estimates for this population through FY 1990. After a peak of 10.8 million in FY 1978, the number of 17-21 year old males will begin to decline and continue to decline through FY 1990. The decline is modest from FY 1979 to 1982 --less than 1% per year. However, in the years between FY

1/ Defined in this discussion as those individuals with a high school diploma who are in mental groups I-III.

1983 and 1987, the decline increases to 2.5% per year. By FY 1987, the number of males in the 17-21 year age group will have declined by 15% from FY 1978 levels. By FY 1990, the number of 17-21 year old males will be 17% below the FY 1978 number.

Figure 3-1

PROJECTIONS OF 17-21 YEAR OLD MALE POPULATION



With a smaller population, we expect that the number of males completing high school each year will also decline. This will result in more intense competition for high school graduates among colleges, vocational schools, private employers and the military. If educational institutions are able to prevent a decline in enrollments and private employers continue to hire young workers in similar numbers as today, then the supply of enlistees to the military could decline by even more than the population decline. The effects of this decline in the number of youth tend to be offset or reinforced by the other factors at work in the labor market.

Competition from Older Workers

During the period between FY 1978 and FY 1990, the labor force as a whole will increase by about 20%, but the composition will change as follows:

- o The 17-21 year old population will decrease by 17%.
- o The 21-55 year old population will increase by 20%.
- o The participation rate of women in the labor force will increase 15%.

The overall growth caused by the increases in the number of women and in the older elements of the labor force will work to the disadvantage of youth. Youth will always be at a relative disadvantage in competition with the more experienced and more highly trained segments of the labor force. Thus, increases in the size and participation rates of competing groups will reduce the civilian economic opportunities for youth. The amount of the reduction will depend on the relative substitutability of these groups with youth. Because such competition could reduce employment opportunities for youth, it could make military enlistment a more attractive opportunity for all segments of the youth population.

Youth Unemployment

Youth unemployment is a relevant factor in considering the supply of people interested in joining the military. For example, higher quality enlistment levels have occurred during periods of higher unemployment. Table 3-1 shows the approximate range of youth unemployment between FY 1973 and FY 1978. We estimate that a swing of this magnitude (between 10% and 17%) could result in a change of about 20% in accession levels. However, historically -- prior to the FY 1975-1976 period -- the range of youth employment has been much more narrow. And, if the FY 1975-1976 experience is discounted, the range of unemployment between FY 1973 and FY 1978 is 10-14%. Swings of this magnitude would relate to 11% change in accession levels. Thus, while unemployment is a factor in enlistment supply, it is certainly not the dominant factor, and by itself would not be sufficient to cause undue concern in the recruiting supply outlook.

Table 3-1

Unemployment Rates for 16-21 Year Old Youths
(Percent)

Fiscal Year	Youth Unemployment Rate
1973	10%
1975-1976	17.5%
1976-1978	13-14%

Minimum Wage

Another factor affecting AVF supply is the rising minimum wage. When youth wage levels are low relative to those for the rest of the labor force, more jobs go to the young inexperienced worker. However, the increasing minimum wage levels tend to make youth wages comparable to those of the general labor force. In this situation, employers tend to hire the more experienced applicant.

The current minimum wage is established legislatively to rise from the current $2.65 an hour to $3.35 in 1981. This represents a more rapid increase than in previous years. Furthermore, the current legislation sets a precedent for annual raises. If this precedent continues, it could have a significant effect on youth employment --even more than it has in the past.

Military/Civilian Pay Levels

Analysis of historical enlistment supply data show that volunteer enlistments in the FY 1970-1977 period have been influenced by the levels of military pay relative to civilian pay. For instance, it is estimated that a 10% increase in first-term military pay relative to civilian pay would bring a 5-10% increase in high quality enlistments. Similarly, allowing military pay to decline relative to civilian pay would bring proportionate declines in enlistments.

Recruiting Resources

Increases in these resources were accompanied by increased levels of enlistments in the FY 1970-1977 time period. However, recruiting differs from the other factors in that further increases are likely to bring less return in terms of increased enlistments. Thus, further changes in recruiting levels can only be expected to bring relatively small changes in enlistment levels. Recent DoD policy decisions are based on this assumption. In the future, recruiting and advertising resources will be priced to obtain a constant share of the male high school 17-21 year old market rather than obtaining a constant number of quality recruits. Thus, in spite of the youth decline, DoD recruiting budgets will remain relatively constant in real terms but will yield a smaller number of high quality male accessions. The effects of this decrease can be minimized with better balancing of high quality accessions among the Services, as discussed in Chapter 2.

Other Factors

Other factors such as military training and travel opportunity and individual preference for military service play important roles in the enlistment decision. However, these factors have been relatively stable and are not likely to change significantly in the years ahead. The

factors mentioned above (population, changes in the work force, unemployment, military and civilian pay levels, and recruiting) explain a large part of enlistment changes in the FY 1970-1977 time period and are expected to be the significant factors causing change in the FY 1978-1990 time period.

Supply Projection Assumptions

Three different economic scenarios, summarized in Table 3-2, were used in the projections provided in this report. Two of the scenarios correspond to the Congressional Budget Office (CBO) economic projection identified by CBO as a "vigorous" (Case 1) and a "less vigorous" (Case 2) economic expansion through 1982. The third scenario was developed to show a higher unemployment scenario than presented in the two CBO options. This higher unemployment scenario (Case 3) corresponds to a return to the highest unemployment levels experienced in the 1975-1977 time period. For each scenario, the unemployment rate after 1984 is assumed to remain constant. Since the Case 1 projection assumes a very optimistic scenario of general unemployment going to 4.2% by 1982, and the Case 3 projection assumes a return to 8.5% by 1984, the scenarios provide estimated upper and lower level bounds for enlistments in the period -- provided unemployment rates stay within the historical range.

Table 3-2

Economic Scenarios
(Unemployment Rate in Percent)

	1978	1979	1980	1981	1982	1983	1984-90
General Population							
Case 1 (CBO "Vigorous")	6.1	5.5	4.9	4.5	4.2	4.2	4.2
Case 2 (CBO "Less Vigorous")	6.1	5.9	5.8	5.7	5.5	5.5	5.5
Case 3 ("Recession")	6.1	6.0	6.5	7.0	7.5	8.0	8.5
Youth							
Case 1 (CBO "Vigorous")	13.3	12.3	11.2	10.5	9.9	9.9	9.9
Case 2 (CBO "Less Vigorous")	13.3	13.0	12.8	12.6	12.3	12.3	12.3
Case 3 ("Recession")	13.3	13.2	14.1	15.0	15.9	16.8	17.7

The approach used in estimating the future accession levels treats the population decline and unemployment changes as though they were independent of each other and assumes that the future annual military pay adjustments will exactly match rises in civilian wages. Unfortunately, we are not yet able to estimate the effect on accession levels of such factors as the minimum wage level changes, the increased competition for youth from the remainder of the labor force and the likely changes in the educational opportunities for youth. 2/ However, the projections provided in this report are the best available 3/ and thus, the projections are very useful in developing reasonable estimates of the enlistment levels in the 1980s.

Finally, our projections are restricted to high quality supply-limited male enlistees 4/ -- i.e., they assume that lower quality male and all female accessions are restricted by service demand rather than supply limitations.

Active Force Supply Limited NPS Accession Estimates

Figure 3-2 shows the estimated effect that the youth decline will have on the number of DoD supply-limited NPS accessions between FY 1978 and FY 1990 under the three economic scenarios mentioned earlier. In the very near term, DoD should be able to attract about the same number of supply limited male accessions as in FY 1978 regardless of the unemployment rate. By 1985, depending on the economic scenario assumed, there could be as small as a 3% decrease in quality accession levels relative to those for FY 1978, or as much as a 16% decrease. By FY 1990, the decrease in quality male accessions relative to FY 1978 is likely to range from 8% under the Case 3 scenario to 21% under a period of vigorous economic growth (Case 1).

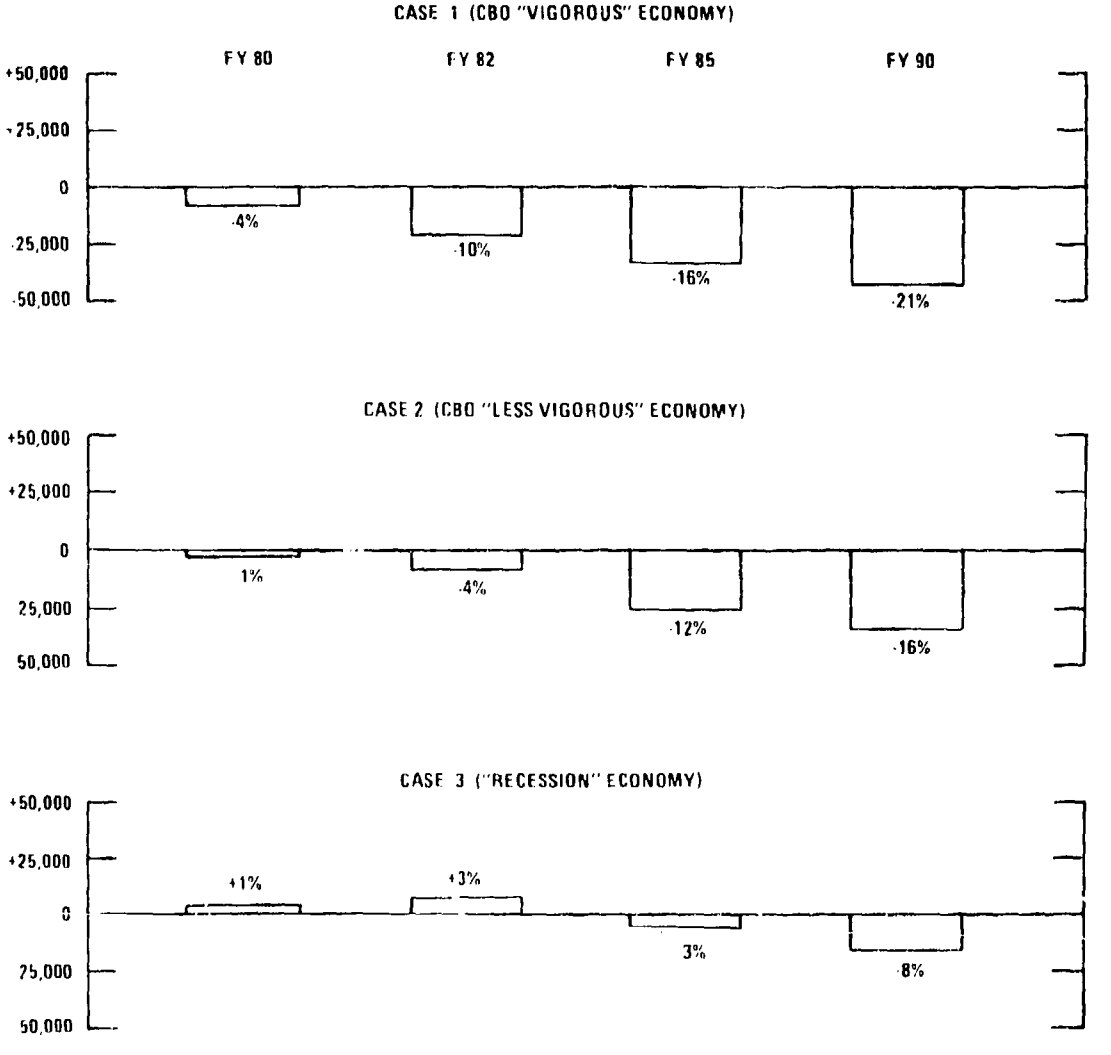
2/ A preliminary attempt to account for these factors is provided in Appendix G.

3/ The Air Force and Marine Corps projections are not believed to be as accurate as those for the Army and Navy.

4/ As noted earlier, only males with a high school diploma who are classified as being in mental category I-III are considered to be supply limited.

Figure 3-2

ESTIMATED MALE NPS HSDG I - III ACTIVE DUTY ENLISTED ACCESSIONS FOR FY 80-90 RELATIVE TO PROJECTED FY 78 LEVELS *



* BASED ON PROJECTED FY 78 90 ACCESSION LEVELS

It should be noted that the numbers displayed in Figure 3-2, including the base values for FY 1978, are projections based on the FY 1970-77 data and the assumptions already discussed. While these projections have been very successful in the past, they were less successful for FY 1978. Table 3-3 shows the actual versus projected male high school diploma graduate (HSDG) mental category I-III accession levels for FY 1978.

Table 3-3

Actual Versus Projected Male
HSDG CAT I-IIII NPS Accessions for FY 1978
(000)

	Actual	Projection	Difference	Percent Error
Army	62	74	-12	-16%
Navy	55	58	- 3	- 5%
Marine Corps	26	24	+ 2	+ 8%
Air Force	47	52	- 5	-11%
DoD	190	208	-18	- 9%

There are several possible explanations for the differences between actual and expected HSDG recruits in FY 1978.

-- Total accession requirements were uniformly lower in FY 1978, and although the number of HSDG recruits was lower, the percentage of HSDG recruits among all recruits was at historic peacetime highs. It may be natural that with the smaller accession goals we would obtain fewer high school graduates. Table 3-4 compares the NPS accession levels and the male HSDG category I-III accessions for FY 1974 through FY 1978.

Table 3-4

FY 1974-78 Total NPS and
Male HSDG Cat I-III Male Accessions
(000)

Fiscal Year	Male HSDG Category I-III Accessions	Total NPS Accessions
1974	187	383
1975	224	419
1976	228	397
1977	223	388
1978	190	312

-- A more sophisticated explanation along the same lines would emphasize the importance of skill training and choice assignments to prospective enlistees. With fewer accession requirements, there are fewer openings in the more desirable occupations and assignments; and consequently, fewer high school graduates may be inclined to enlist.

-- Under the two previous explanations, recruiting could be expected to rebound as accession requirements return to more normal levels. However, it is also true that FY 1978 was the first complete year in which recruits were not eligible for the G.I. Bill. The new Veteran's Educational Assistance Program is less valuable to the recruit and requires him to surrender cash pay while on active duty. Under this explanation recruiting may not rebound as expected in future years.

-- Finally, there is some evidence that unemployment rates in the past two or three years have not reflected the true "tightness" of the labor market. Inflation has increased sharply even though unemployment rates have remained at around six percent. In fact, there is considerable uncertainty in the economics profession whether a given unemployment rate has the same meaning as a few years ago.

Despite uncertainty about the meaning of the FY 1978 numbers, the supply projections still display the relative effect of unemployment on accession levels through FY 1990. It is too early too tell whether the 1978 experience is an anomaly or if new variables must be considered in our projections; however, the estimates provided in this report are expected to reflect the effect that the youth decline and the different unemployment levels will have on quality accessions.

The Service specific projections, provided in Table 3-5, show that each of the Services should experience similar decreases in the 1980s, except for the Air Force which traditionally has had fewer quality-related problems than the rest of DoD. Thus, we expect the Services who have had the greater difficulties satisfying requirements in the past to have the greater difficulties in the future. Consequently, the Army is likely to provide the real test for the continued success of the AVF in the 1980s.

Table 3-5

By Service Comparisons of Male HSDG Cat I-III Accessions for FY 80-90 Relative to FY 78 Levels[a/]
(Percent Change from FY 1978 Levels)

	FY 80	FY 82	FY 85	FY 90
Recession Economy				
Army	+1	+3	-4	-9
Navy	+2	+3	-2	-7
Marine Corps[b/]	0	+4	-4	-8
Air Force c/	0	+2	-2	-5
DoD	+1	+3	-3	-8
Less Vigorous				
Army	-1	-5	-14	-19
Navy	-2	-5	-14	-19
Marine Corps[b/]	0	-4	-13	-17
Air Force c/	0	-2	-7	-9
DoD	-1	-4	-12	-16
Vigorous				
Army	-5	-11	-18	-24
Navy	-5	-12	-19	-24
Marine Corps[b/]	-4	-13	-17	-25
Air Force c/	-2	-5	-9	-11
DoD	-4	-10	-16	-21

a/ Accession projections by Service and fiscal year can be obtained from OASD(MRA&L).

b/ Data problems precluded the use of Marine Corps specific data so it was assumed that the Marine Corps accession trends will mirror those of the Army.

c/ Assumes that male HSDG Cat III accessions are not supply limited in the Air Force and will continue at FY 1978 levels.

Effect of Initiatives on Accession Quality

The real question facing the AVF is whether the overall quality of the military services can be maintained in the 1980s despite the decline in the youth population and the projected decrease in the number of quality male accessions just discussed. While DoD will recruit fewer high quality male accessions, there are certainly enough potential enlistees willing to serve if we are willing to use more personnel who are not high school diploma graduates or who are in the lower one-third of the population in terms of intelligence.

DoD has taken some major actions to offset the decrease in quality male accessions. These initiatives, discussed in detail in succeeding sections, will slow turnover through reduced first-term attrition and will increase the use of women in the military. Taken together, these moves will permit DoD both to increase the number of quality accessions entering the force and to obtain more use out of the people we recruit.

Table 3-6 shows the estimated effect these initiatives will have on Army accessions in the 1980s. Without action, the percentage of Army NPS accessions with high school diplomas would have dropped from 59% in FY 1977 to 52% in FY 1984 and 47% in FY 1990. Instead, we now expect 66% high school in FY 1984 and 61% in FY 1990. These projections assume the midrange economic forecasts prevail in the 1980s.

In the past 10 years, Army accessions have ranged between 61% and 77% HSDG. The projected high school graduate percentage of over 60% compares favorably with experience in the first few years of the AVF. Achieving these percentages would appear to assure the success of the AVF for the active force through the 1980s.

Table 3-6

Effect of Females & Attrition Initiatives on
Army High School Diploma Graduate NPS Accessions (000)*

	77	80	82	84	86	88	90
Without Initiatives							
HSDG Male	86	86	83	78	74	73	71
HSDG Female	14	13	12	12	12	12	12
HSDG Total	100	99	95	90	86	85	83
HSDG % of NPS Accessions	59%	55%	55%	52%	49%	48%	47%
With Initiatives							
HSDG Male	86	86	83	78	74	73	71
HSDG Female	14	20	23	23	23	23	23
HSDG Total	100	106	106	101	97	96	94
HSDG % of NPS Accessions	59%	67%	68%	66%	63%	62%	61%
Total Enlistees							
Without initiatives	169	180	173	173	176	177	177
With initiatives	169	158	156	153	154	155	154
Difference	0	-22	-17	-20	-22	-22	-23

* Projections based on:
(1) Meeting the programmed requirements as of June 1977;
(2) Case 2 (CBO less Vigorous Economy) economic scenario;
(3) Supply estimates for male HSDG Cat I-III projections provided in Table 3-5.

First-Term Attrition

In 1977, the Secretary of Defense directed that efforts be made to decrease first-term attrition (defined as the number of individuals who are lost to the military during their first three years of service prior to completing their initial enlistment). As shown in Table 3-7, the first-term attrition rate for enlisted men has grown markedly since FY 1971. In the Army, for example, the three-year attrition rate for people who enlisted in FY 1971 was 26% while the FY 1974 entry group had a rate of 38%.

Table 3-7

Attrition Percentage of Active Duty NPS Male Enlistees*

	Actual				Estimated			Projected	
Service	FY 71	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
Army	26	28	31	38	37	35	30	30	31
Navy	28	32	34	38	32	35	38	31	28
USMC	31	24	32	37	40	37	34	31	30
USAF	21	26	30	31	31	30	28	27	25
DoD	26	28	32	37	35	36	35	30	28

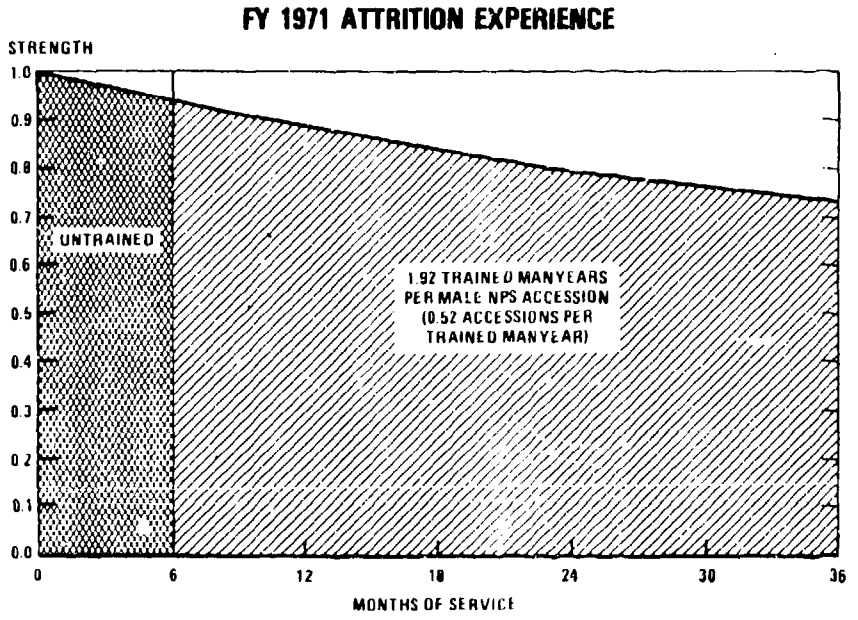
* Percent of those who enlisted for three or more years in fiscal year shown and leave the service before completing three years of service.

The Secretary's action to reduce attrition was necessary because high attrition is costly and required more recruits than would otherwise be necessary to sustain a given force size. The impact on trained manyears and accession levels of different attrition levels is illustrated in Figure 3-3. In this figure, the expected trained 5/ man years per accession over three years of service is computed for the Army under the FY 1971 and FY 1974 attrition behavior. As shown, the FY 1971 cohort attrition implied that about 1.92 trained manyears were obtained per accession over a three-year period. This number dropped to 1.65 for the FY 1974 accessions and attrition experience. Thus, 17% more NPS accessions were needed in FY 1974 over FY 1971 to obtain a constant trained strength for the first three years of service.

5/ In this discussion, a person is considered trained after completion of 6 months of service. Additionally, for the purposes of demonstrating the impact of attrition, this discussion assumes that all NPS male accessions had a 3-year commitment in FY 1971 and FY 1974 even though 63% and 23% respectively had a 2-year obligation.

Figure 3-3

TRAINED MANYEARS PER MALE NON-PRIOR SERVICE
ACTIVE DUTY ENLISTED ACCESSSION
FOR THE FIRST THREE YEARS OF SERVICE



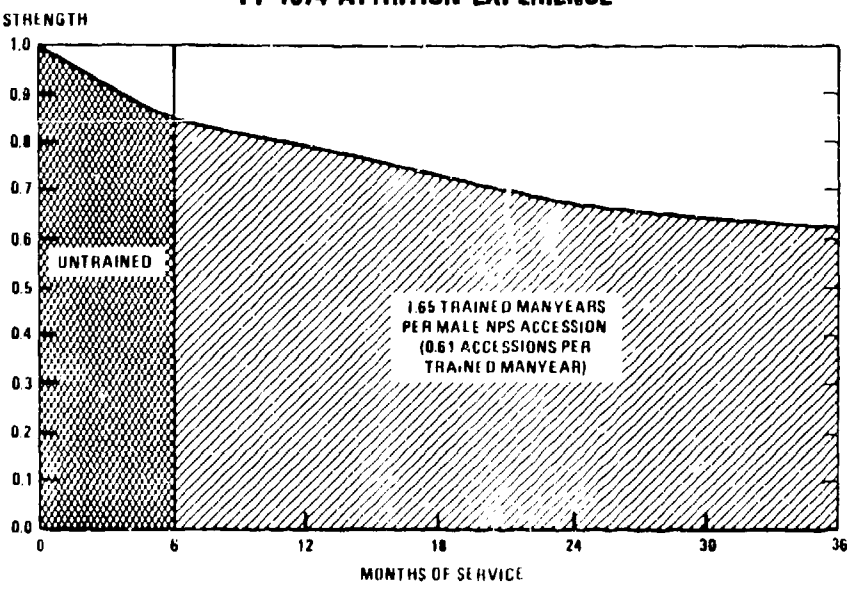
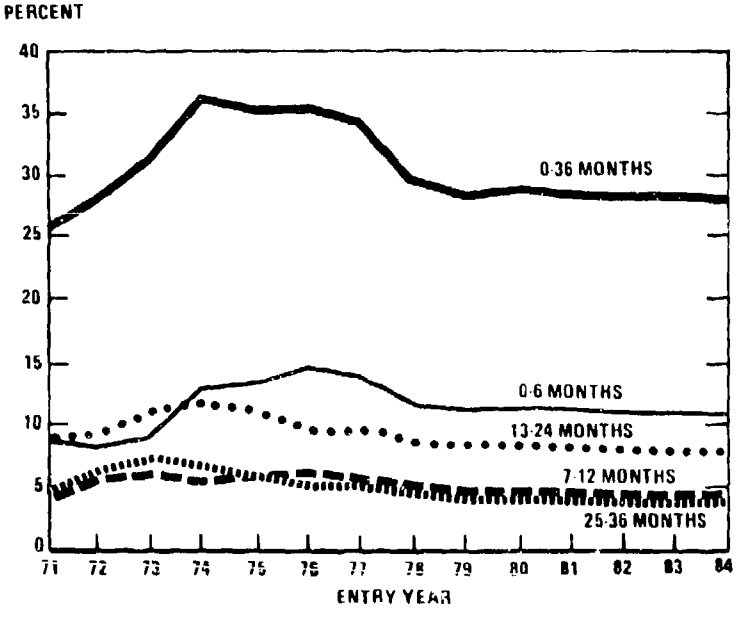


Figure 3-4 plots attrition by month of service since FY 1971. The greatest attrition increase has occurred in the 0-6 months of service period due to introduction of the trainee and expeditious discharge type programs. These programs were begun to facilitate the release of individuals who did not adapt to military life. While it is important that the Services be able to release malcontents and people who do not adapt to military life, we have gone too far and are now releasing many persons who could have productive careers in the military. Figure 3-4 also shows that the Services plan to reduce attrition in the future by leveling off the 0-6 month attrition at a rate below the FY 1976 peak, but significantly higher than that of the draft.

Figure 3-4

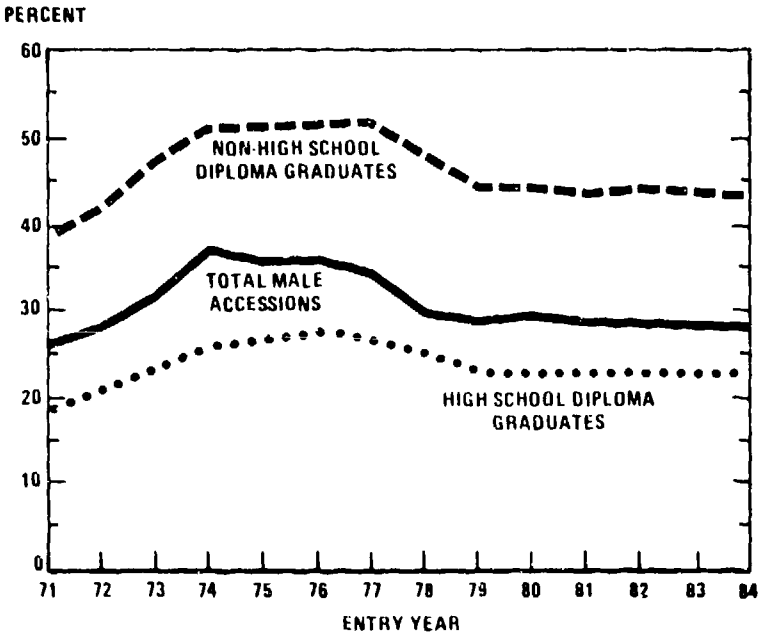
ACTIVE DUTY NON-PRIOR SERVICE MALE ATTRITION PERCENTAGES TOTAL DOD



Another important factor to consider when discussing first-term attrition is high school attainment. Recruits who entered any of the Services with a high school diploma have one-half the attrition rate of those who do not (Figure 3-5). The current DoD attrition goals provide a long-term target of 23% attrition for high school diploma graduates and 44% for non-high school recruits.

Figure 3-5

ACTIVE DUTY NON-PRIOR SERVICE MALE ATTRITION PERCENTAGES TOTAL DOD BY EDUCATIONAL ATTAINMENT

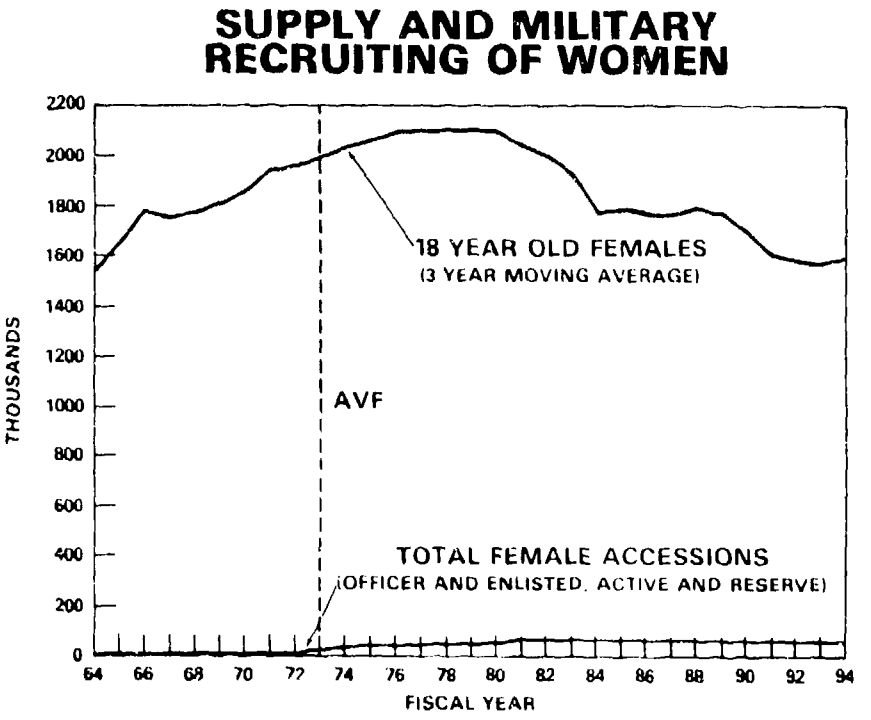


Attrition is obviously a serious problem warranting close attention. The high attrition rates experienced in the past are evidence that the full potential of recruits is not being achieved. Nevertheless, the measures taken to improve performance in this troublesome area must not degrade our forces or reduce their fighting capability. In fact, retaining nonproductive or counterproductive personnel just to reduce attrition is not desirable. The services are attempting to lower attrition by increasing the management attention devoted to this problem and by screening those who enter the force to exclude high-risk personnel. The Secretary of Defense, together with the Services, is monitoring the progress being made in obtaining the attrition goals.

Women in the Military

Figure 3-6 shows the supply and demand for women in the military from 1964 through 1994. Women represent a major under-utilized manpower resource. This is especially true in the enlisted force where the recruiting market for high quality young men is very competitive.

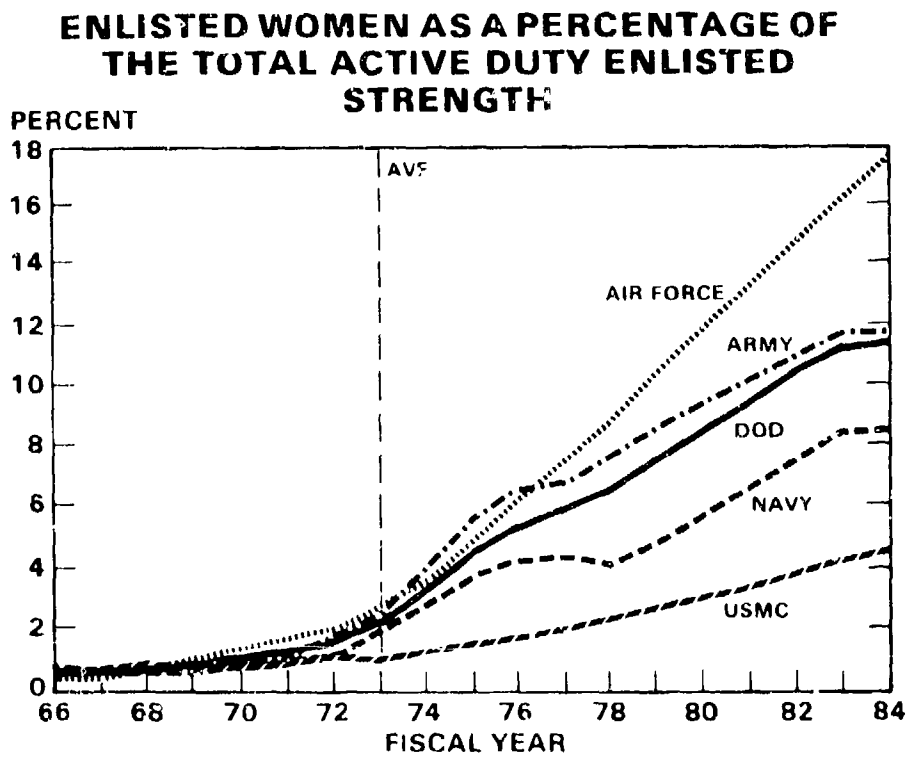
Figure 3-6



Growth in Numbers of Enlisted Women

Prior to FY 1973, women provided less than 2% of the total enlisted strength; but, under the all volunteer force, the percentage rapidly grew to nearly 6% in FY 1977 and is programmed to reach 12% by FY 1984. Figure 3-7 shows this growth by Service. All Services project major increases in women during the next five years. The Air Force projects the highest growth and the Marine Corps the lowest growth.

Figure 3-7



As Table 3-8 shows, DoD plans to increase the number of enlisted women to 208,000 by FY 1984. The Army and Air Force each will have 80,000 enlisted women.

Table 3-8

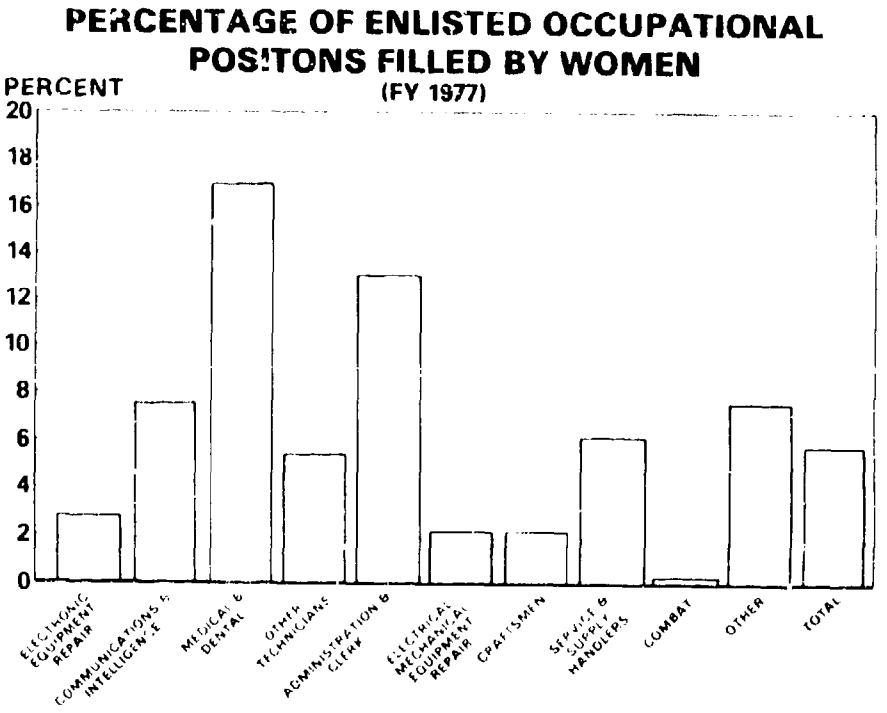
Active Duty Enlisted Women (000)

	FY 64	FY 68	FY 71	FY 73	FY 76	FY 77	FY 78	FY 79	FY 84
Army	8	11	12	17	44	46	50	57	80
Navy	5	6	6	9	19	19	21	22	40
Marine Corps	1	3	2	2	3	4	5	5	8
Air Force	5	5	10	15	29	35	41	48	80
Total DoD	19	25	30	43	95	104	117	132	208
% of Total Enlisted	0.8	0.8	1.3	2.2	5.3	5.8	6.6	7.5	11.6

Increased Role of Women

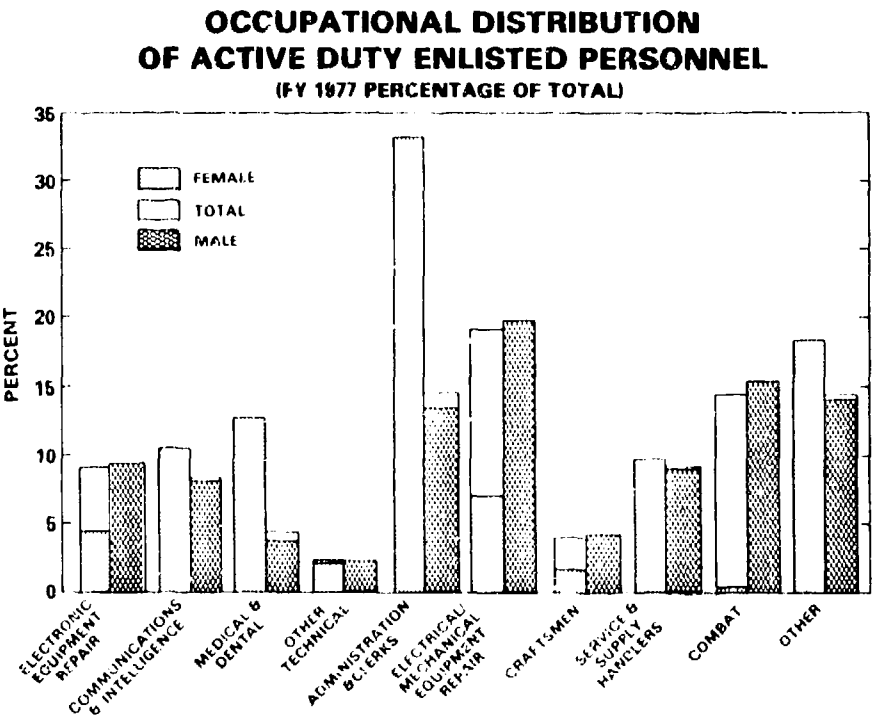
Women are now serving in military skills previously closed to them. Figure 3-8 shows the percentage of enlisted positions by occupation which are filled by women. Since the total force was 5.8% female, any percentage above that level indicates higher than average concentration of women and percentages lower than 5.8% indicate underrepresentation. The greatest density of women is in traditional skills, the medical/dental and administration/clerical occupations.

Figure 3-8



While Figure 3-8 considered positions filled by women as a percentage of all the positions in each occupational area, Figure 3-9 shows the distribution of enlisted men and women by occupation. That is, Figure 3-8 shows what percentage of all the enlisted women is in each occupation as compared to the distribution for men. Of all enlisted women on active duty at the end of FY 1977, 33% were in administrative and clerical positions as compared to 13% for men. Women also had a much higher percentage in medical/dental (13%) when compared to men (4%). Women have much lower percentages than men in electronic equipment repair, crafts and, of course, combat skills.

Figure 3-9



Taking Figures 3-8 and 3-9 together, one sees that 33% of the women serve in administrative and clerical positions, but that they represent only 13% of the total positions in the occupation. While only 4% of men serve in administrative and clerical positions, they fill 87% of those positions. Even in the traditional occupations there is room for growth in the numbers of women.

Current analysis indicates a potential to increase the number of women in the military even further -- in part because more women want to enlist than are now accepted. But too rapid a rate of growth can result in an imbalance of women in the junior ranks because it takes years for recruits to be trained and promoted into positions as qualified supervisors. Moreover, DoD cannot be certain how many women will be attracted to traditionally non-female occupations, nor if they will reenlist in those occupations in sufficient numbers to meet career force requirements. For example, retention by DoD occupation code for men and women is shown in Figure 3-10. Enlisted women had much higher retention in traditional skills than men, but much lower in non-traditional skills.

Figure 3-10

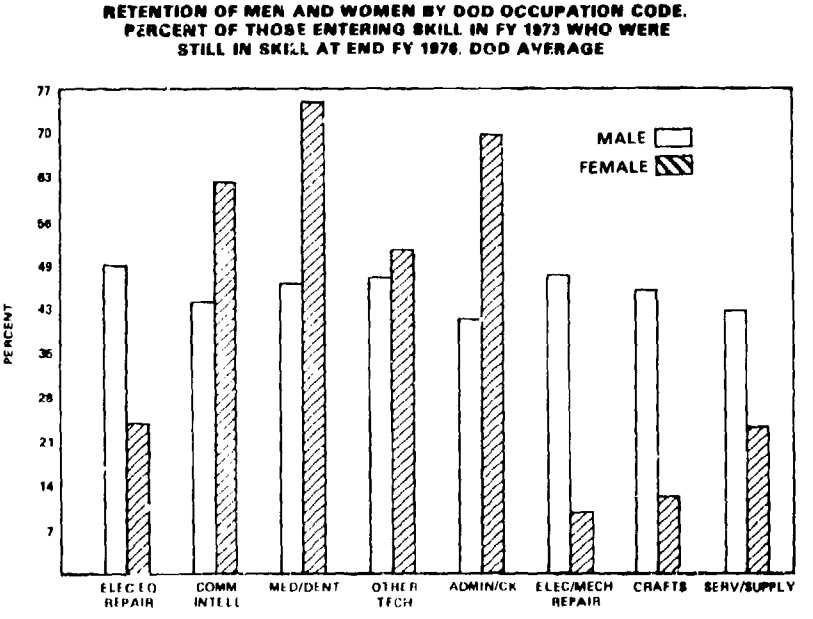
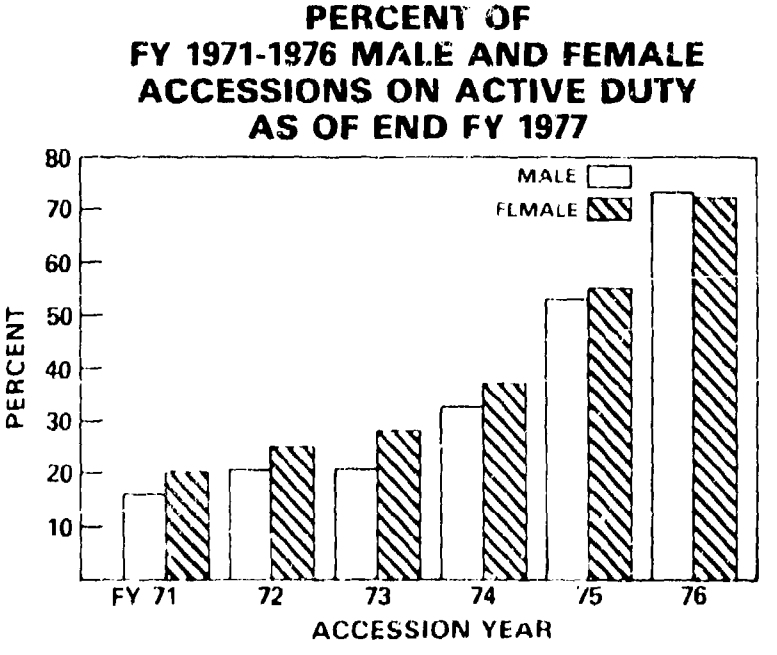


Figure 3-11



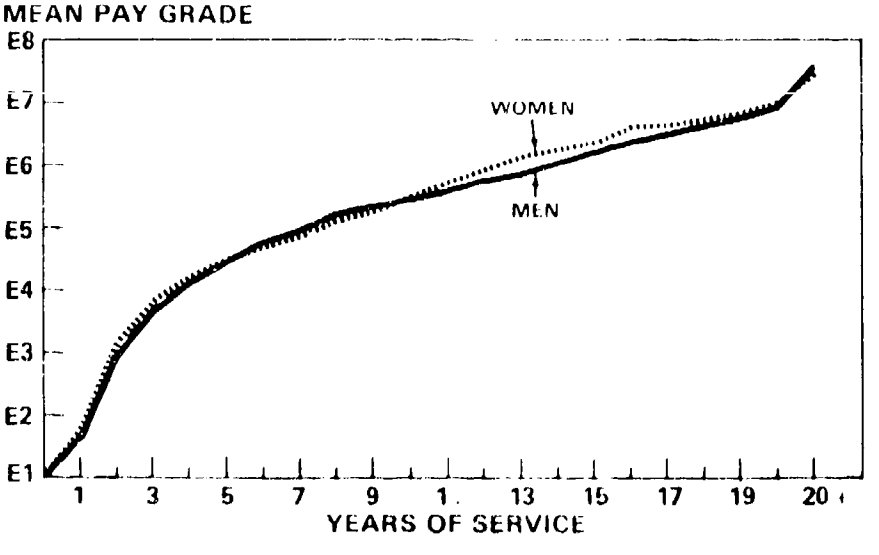
While Figure 3-10 showed comparative retention of men and women who enlisted in FY 1973 by occupation, Figure 3-11 compares the average retention of six cohort groups. Women, on average, are retained as well as men. Taking Figures 3-10 and 3-11 together, one concludes that women are retained at higher rates than men in skills more traditionally identified with women and at lower rates in the non-traditional skills such as electrical equipment repair, technical, mechanical repair and crafts, but that these differences average out. One could argue that the Services should concentrate on recruiting men and women into the skills where they have the best retention prospects, but such a policy would have some questionable equal opportunity implications. In recent years, the Services have been striving to increase the numbers of women in nontraditional occupations.

Comparative Promotion Experience

On average, men and women who enlist in the same year have about the same promotion history, as shown in Figure 3-12. Men and women who enlisted in a given year, on average, had achieved about the same grade level at the end of FY 1977. However, the rapidly increasing percentages of women in the force in recent years (see Figure 3-7) mean that in absolute numbers there are many more junior women than senior women. This fact is often observed in the field and has led to a number of concerned inquiries about the promotion of enlisted women. Table 3-12 confirms that enlisted women are being promoted as well as their male cohorts.

Figure 3-12

DOD AVERAGE PAY GRADE FOR ENLISTED MEN AND WOMEN BY YEAR OF SERVICE
(AS OF END FY 1977)



Women in Combat

As the number of women in the military increases, women are beginning to enter, in greater numbers, job fields that have been traditionally held only by men. Many of these are in the combat environment. While women are not assigned to positions requiring close combat on a regular basis, numerous jobs related to combat can be efficiently and effectively filled by women. Army nurses, although legally classified as noncombatant, have served in the combat environment for more than a century. Women have received combat decorations, such as the Bronze Star and Purple Heart. Presently, there are no combat restrictions in law on the assignment of women in the Army. The Secretary of the Army is authorized to determine where Army women may serve. His policies and programs are developed, reviewed, and modified as national attitudes and circumstances change. Recently, the Army has opened all but the most hazardous and arduous positions to women.

The current Army policy states: "Women are authorized to serve in any officer or enlisted specialty, except some selected specialties, in any organizational level and in any unit of the Army except infantry, armor, cannon field artillery, combat engineer, and low altitude air defense artillery units of battalion/squadron or smaller size." 6/

This means that women may be assigned to brigade level headquarters, Hawk and Hercules Missile Air Defense Units, missile and field artillery elements such as Lance units, signal battalions and wheel and track vehicle maintenance battalions. They can fly the new Blackhawk helicopter in nondirect combat roles and now some positions in the elite units such as the 82d and 101st Airborne Divisions are open to women. Policy, however, restricts them from serving in an attack or scout role.

An Army message of September 8, 1977, gave the following guidance to Army field commanders: "Women will be trained to defend themselves individually as well as participate in the unit defense of combat support and combat service support units and should be employed by unit commanders in the same manner as male soldiers.. .Unit commanders are authorized to employ women to accomplish unit missions throughout the battlefield....Women are not excluded from performance of mission duty forward of the brigade rear boundary "Soldiers will not be excused from the performance of unit duties solely on the basis of gender." 7/

6/ Deputy Chief of Staff for Personnel Memorandum for DAPE-MPE-SS, 7 Dec 77.

7/ HQ DA message, DAPE-MPE-C5, Washington, D.C., R082058z, 8 Sept 77.

From these directives, it is clear that women soldiers are an important and integral part of the Army. They will be expected to pull their share of the workload in the combat environment as do men in the same MOS, but will not be assigned to certain of the most arduous combat units or skills.

These changes in Army policy are not whims, but are based on an extensive study. One such study is called "Women Content in the Army (WITA)". As part of WITA, in 1976, the Army conducted major tests on the impact of female participation in company size units. Units were tested in three-day field exercises with from 0% to 35% women. The results of those tests (called MAXWAC) showed no degradation in unit performance as a result of female content. 8/ A second part of WITA was conducted in 1977. During the major NATO exercise, REFORGER-77 conducted in the fall of 1977, the effect of women in units on sustained operations was tested. This test, called REFWAC 9/, reconfirmed the MAXWAC results. Women soldiers can and do perform well in combat support units in the field as well as in garrison. There is no significant difference in the performance of these kinds of units. Such trends as did exist showed that, if anything, the integrated units did better, especially when the number of women were above the token level and the men and women were well trained.

In the Navy, the issue of women is somewhat different from the Army. Until this year, Section 6015 of Chapter 10 USC precludes women from serving on Navy ships, stating, "...women may not be assigned to duty in aircraft that are engaged in combat missions nor may they be assigned to duty on vessels of the Navy other than hospital ships and transports." 10/ Congress has passed language modifying section 6015. Under the new amendment, women will be allowed to serve full-time on hospital and transport ships and other such vessels not expected to be assigned combat missions. Also, they may serve up to six months temporary duty on other Navy vessels.

As Secretary of the Navy testified, the Navy is beginning to assign women to permanent duty on some ships. Women on temporary duty assigned to combat ships do not replace men. In case a vessel, with women on board, is assigned to a combat mission, every effort would be made to disembark the women but not in such a way as to interfere with the accomplishment of the mission. In the Navy, women still may not serve on vessels or aircraft engaged in combat missions.

8/ Women Content in Units Force Development Test (MAXWAC), U.S. Army Research Institute for the Behavioral and Social Sciences, October 1977.

9/ Women Content in the Army-Reforger 77, U.S. Army Research Institute for the Behavioral and Social Sciences, 15 March 1978.

10/ USC 6015, 10 August 1956, C.1041, 70A Stat 375 (See Append x H).

A similar legal restraint exists for the Air Force. "Female members of the Air Force, except those designated under section 8067 of this title, or appointed with a view to designation under that section, may not be assigned to duty in aircraft engaged in combat mission." 11/ This law does not pose any serious problems to the Air Force in reaching their female recruiting objectives. The Department of Defense has called for the repeal of both 10 USC 8549 and 6015. They are neither necessary nor appropriate. Appendix H contains correspondence on this matter.

Expanding the roles of women and the number of women in the force broadens the recruiting base for Armed Forces. As shown by recent experiences of the Army, women are demonstrating that they are capable of playing an even larger part in national defense. Repealing the two laws mentioned above will be a significant step forward in opening the military Services to those American women who want to serve and will reduce the effect of the declining youth population on military recruiting under an AVF.

Additional Management Flexibility

The initiatives already taken to date should more than match the reduction in recruit supply occurring in the 1980s. Nevertheless, the future remains full of uncertainties and additional flexibility is needed to cover unforeseen situations. DoD has identified a number of other management initatives that could assist in meeting AVF recruiting targets. Some of the most promising are discussed in the following sections.

Matching Enlistment Options to Market Segments

DoD has the opportunity, through restructuring its enlistment options, to provide a better match between DoD manpower requirements and the available market. Possible changes would include varying the terms of enlistment, the amount of bonuses paid, the educational incentives offered, and the nature of the reserve commitment.

Two experiments have begun in this area for the active force. Other initiatives in the reserve area are discussed in Chapters 6 and 7. The two active force tests under development include a two-year enlistment for the combat arms and a selective increase in the Veterans' Educational Assistance Program (VEAP).

In 1975, DoD eliminated the two year enlistment option. Since that time there has been much discussion about the cost and supply implications of this decision. To resolve these questions, DoD will conduct a two-year enlistment option test in the Army for combat arms related skills starting in FY 1979. It is expected that about 13,500

11/ USC 8549, 10 August 1956, C/1041, 70A Stat 528 (See Appendix H).

two-year enlistments will be provided as part of this test. In addition to the two year enlistments, the test will also consider the potential drawing power of increased VEAP payments of over $12,000 for four years of college by a person who participates over a four-year enlistment. The effect of a mandatory tour in Europe on the attractiveness of all these options will also be evaluated. The number of accessions planned for each part of the two-year enlistment test are shown in Table 3-9.

If, based on the results of the test, the two year enlistment option increases supply and is cost effective, the option will be reinstituted with the effect of increasing the supply of high-quality accessions in the Army combat arms skills.

Table 3-9

Number of NPS Accessions Involved in Army Two Year Enlistment Option Test

	Europe Only	Europe Optional
VEAP Kicker	10,500	1,000
Non Kicker	1,000	1,000

Mental and Physical Standards

Current mental and physical standards for both enlistment and reenlistment are higher now than during the draft or the early days of the AVF. Higher stardards also exclude many persons who would become valuable asests if permitted to enlist.

The following three tables show the impact of the higher recruiting standards. Table 3-10 shows the number and percent of total accessions who entered in FY 1972, but would be ineligible to enlist under current higher standards.

Table 3-10

FY 1972 Male Accessions Not Eligible Under Current Standards

	Disqualifying Standard(000)		Total Percentage of FY 72 Accessions Disqualified
	Mental	Physical	
Army	11.4	3.5	10%
Navy	16.4	2.8	22%
Marine Corps	9.1	1.4	19%
Air Force	9.7	10.0	20%
DoD	46.5	17.7	17%

Table 3-11 shows the cumulative losses of these "marginal" people for various periods of service and compares them with the losses of those people who would be fully qualified under today's standards. The net result is that losses among those "marginal" people are significantly higher, but that there are many productive enlistees excluded by current standards.

Table 3-11

Loss Rates of Marginally Qualified Accessions*
(percent)

Months of Service	Excluded by FY 77 Standards			Qualified Under FY 77 Standards	Total FY 72 Accessions
	Mental	Physical	Both		
0-6	15	11	21	8	14
7-12	8	3	8	4	7
13-24	15	8	15	9	14
25-48	15	14	19	11	14
0-48	53	36	63	32	49

* Percent of male enlisted accessions entering in FY 1972 who left the service before completing their initial term of enlistment.

As employers the services should strive to obtain high quality accessions. Extra losses add needlessly to training cost, but obviously there must be a balance between training and accession costs. If accession costs should significantly increase, then a return to the standards of the early years of the AVF may become cost-effective. This would still permit DoD to maintain standards consistent with those in effect under the draft.

Average Age and Experience Mix of the Force

DoD continues to be concerned about reenlistments and about achieving the proper distribution between career and non-career military personnel. If the Services increased the average age and experience level of military personnel, they could reduce turnover rates and allow recruitment of fewer non-prior service persons every year.

The armed forces have traditionally been a youthful profession (the median age today is 24 years) and most enlistees do not reenlist for a second term. Table 3-12 shows the percent of total personnel by age group.

Table 3-12

Percentage of Active Duty Male Personnel by Age Group
(Officer and Enlisted)

FISCAL YEAR	AGE				MEDIAN AGE
	17-19	20-29	30-39	40+	
64	14	58	20	8	24.0
65	14	57	21	8	23.9
66	18	57	18	7	23.0
67	14	63	17	6	22.6
68	12	65	17	6	22.7
69	13	65	16	6	22.7
70	14	63	17	7	23.0
71	15	61	18	6	23.1
72	15	57	21	7	23.9
73	16	56	21	7	23.9
74	18	54	21	7	24.0
75	17	55	21	7	24.1
76	17	56	21	6	24.2
77	16	56	21	7	24.4

If the median age in Table 3-12 were increased by a year or two by increasing the number of personnel in the age 30-39 year category and decreasing those in the 17-19 category, the force would still be young and vigorous. Increasing career personnel could have this effect.

Table 3-13 shows that even small increases in the career content of the force can significantly decrease the number of new recruits needed. Reducing recruit requirements would help the AVF if the recruiting market becomes more difficult.

Table 3-13

Long Term Effects on Active NPS Enlisted Accession Levels of Changes in the Experience Mix of the Force*

Career Content** Percent	NPS Requirement (000)
40	371
41	365
42	359
43	352
44	346
45	340
50	309

* Table is based on an idealized steady state enlisted force of 1.8 million and assumes changes in the size of the career content are achieved only through increases in the number of personnel who have completed four or more years of service.

** Career content for this discussion is defined as that portion of the enlisted force with four or more years of active federal military service.

The Department of Defense strives to achieve the proper distribution between career and noncareer military personnel. Experienced personnel are generally more productive, are critical to the operation and maintenance of an increasingly complex military force, and reduce recruiting and training costs for replacements. On the other hand, experienced personnel are paid more--and are more likely to remain until retirement--thereby increasing personnel costs. In addition, an increase in the number of reenlistments in the active force reduces the supply of prior service personnel available to the Reserve Components. The Department of Defense continues to struggle to balance these tradeoffs.

The career content 12/ of the enlisted force over the past decade is shown in Table 3-14. The fluctuation in the percent of the force with over four years of service is a result of changes in mission requirements, length of initial enlistment, first-term attrition, and career retention patterns. The major differences are reflected in the

12/ Defining career content as that portion of the enlisted force with four or more years of service is linked to an average length of enlistment in the armed forces of four years. Such a distinction does tend to understate career content in Services where the average first enlistment is less than four years and to overstate the number of careerists when longer initial enlistments occur.

two extremes--the low career content of the Marine Corps and the high content of the Air Force. The Air Force has traditionally had the largest career force because of favorable retention coupled with extensive requirements for skilled technicians. The Marine Corps has the smallest career component because the Navy provides many support functions (such as medical care and logistics support) which require more intensive career structures and because of the lower requirement for career personnel in ground combat units. The buildup for Vietnam and the subsequent draw down also impacted on career content. The career force tends to lag changes in force structure because of the inherent longevity in determining career status.

Table 3-14

Enlisted Career Force
(Over 4 years of Service - Strength in thousands)

Fiscal	Army		Navy		Marine Corps		Air Force		DoD	
Year	Strength	%	Strength	%	Strength	%	Strength	%	Strength	%
67	299.9	23.1	223.8	33.7	53.7	20.5	356.7	47.0	934.2	31.3
68	265.6	18.9	214.0	31.8	52.5	18.6	362.5	47.6	894.5	28.7
69	242.6	18.2	210.4	30.8	44.3	15.6	331.0	45.8	828.3	27.4
70	234.3	20.3	201.4	33.2	45.7	19.5	316.5	48.1	797.9	30.1
71	253.1	26.0	193.9	35.8	47.7	25.1	302.4	48.4	797.1	34.2
72	237.5	34.6	193.2	37.8	53.8	30.1	293.2	48.9	777.7	39.4
73	229.7	33.7	197.8	40.4	46.9	26.9	287.6	50.3	762.0	39.7
74	221.1	32.3	193.8	40.8	42.9	25.2	271.5	51.3	729.3	39.4
75	227.3	34.0	205.0	44.0	43.5	24.5	259.8	51.6	735.7	40.3
76	237.4	35.2	191.7	42.0	43.5	25.1	252.6	52.5	725.2	40.5
77	250.0	36.8	192.0	41.6	44.5	25.7	251.9	53.6	738.4	41.4

In recent years, the reenlistment and recruitment of persons with prior service has been limited to those necessary to sustain career force objectives. However, the number of people entering the career force, i.e., the number of people in their fifth year of service, has risen sharply and would accommodate future expansion of the career force. Table 3-15 reflects the recent rise in the fifth year group during a period of declining force strength. A comparison of these populations with non-prior service accessions of five years prior reflects a favorable trend in the net flow of personnel through the first term and indicates that future increases in the ratio of career to first-term service members is achievable.

Table 3-15

Fifth Year Group Cohort
(All Services)

Fiscal Year	Population	% NPS Accessions - 5 Years Prior
1968	66,462	13.7
1969	55,600	13.4
1970	68,079	7.5
1971	70,335	9.1
1972	83,478	9.9
1973	85,042	10.4
1974	69,378	11.0
1975	87,884	16.2
1976	93,818	22.5
1977*	99,848	21.9

* As of June

The desirability of changing the first-term/career ratio depends greatly on the measure of effectiveness used in the analysis. Measuring output or "productivity" in peacetime for most military units is very difficult, but measuring output is essential to cost-benefit analysis. If a careerist's productivity is sufficiently high, it may overcome his higher costs. Without productivity measure, the Services rely on end strength (a body for every space) or trained strength (end strength less training load) as a measure of productivity. DoD as well as private contractors are working on better measures of productivity to make better judgments, but if recruiting and training costs should exceed the career force costs because of the recruiting market, increasing career content would then unarguably become a cost-effective initiative.

Conclusions

The evidence developed in this chapter indicates that the AVF continues to be a viable concept. With the initiatives being taken to reduce attrition and increase the use of women, the Services should be able to achieve both the quantity and quality of accessions at least through the 1980s. Additional initiatives that are consistent with the AVF concept are available to meet uncertainty in the supply of future recruits. The study concludes that the active forces can continue to function effectively under a peacetime AVF for the foreseeable future.

CHAPTER 4 - MILITARY MEDICAL SERVICE

Overview

The peacetime Military Health Service System is composed of two parts: (1) the military direct care system using military facilities and active duty physicians; and (2) the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) using private sector facilities and physicians. CHAMPUS is not used for active duty personnel, but can be used by the dependents of military personnel and by retirees and their dependents. Under present DoD policy the number of physicians on active duty must be sufficient to provide medical care for the active force, and to provide enough physicians to satisfy the portion of the Services wartime mobilization requirement that cannot be met by reserve component physicians, other governmental medical services, or the private sector. The Services are not authorized additional physicians to provide care for dependents or retirees except where adequate non-Defense health care facilities are not available. These areas include overseas, or remote locations, and localities in which there is a large concentration of retirees and a shortage of civilian facilities. The Services also require some physicians on active duty in peacetime for teaching and training purposes.

The wartime mobilization requirement is estimated for a NATO Warsaw Pact conflict in Europe and demands a larger number of active duty physicians than does the requirements for the peacetime care of the active force. The excess medical capability created by this situation is used to provide care for a portion of the retiree and dependent population. Once this excess direct care system capacity is fully utilized in an area, the CHAMPUS system is available to provide for the remaining non-active-duty patients.

Physician Shortfall

The size of the active duty force has declined considerably since the Vietnam War years and the number of physicians on active duty has been reduced accordingly. However, as shown by the data in Table 4-1 the number of active duty personnel per physician is lower than either the pre-Vietnam peacetime levels or the Vietnam wartime levels. This implies a reduced active duty patient workload per doctor and results from the active duty physician strength declining at a slower rate than the overall active force.

Table 4-1

Ratio of Active Force Strength per Active Duty Physician

FY	64	65	66	67	68	69	70	71	72	73	74	75	76	77
Ratio	230	220	230	230	240	220	200	190	170	180	190	190	190	190

Table 4-2

Military Physician Authorized and Acutal End Strengths

Fiscal Year	Authorized	Actual End Strength	% Difference
1967			
Army	6,619	6,305	-5%
Navy	4,353	4,333	-1%
Air Force	4,240	4,148	-2%
DoD	15,212	14,781	-3%
1968			
Army	6,719	6,251	7%
Navy	4,454	4,646	+4%
Air Force	4,227	4,092	-3%
DoD	15,400	14,989	-3%
1969			
Army	7,109	7,154	+1%
Navy	4,394	4,482	+2%
Air Force	4,107	4,121	+0%
DoD	15,610	15,757	+1%
1970			
Army	6,968	7,154	+3%
Navy	4,419	4,529	+2%
Air Force	3,902	3,904	+0%
DoD	15,289	15,587	+2%
1971			
Army	6,160	6,034	-2%
Navy	3,967	4,255	+7%
Air Force	3,791	3,786	-0%
DoD	13,918	14,075	+1%
1972			
Army	5,550	5,664	+2%
Navy	3,858	4,449	+15%
Air Force	3,904	3,756	-4%
DoD	13,312	13,869	+4%
1973			
Army	5,153	5,055	-2%
Navy	4,173	3,955	-5%
Air Force	3,874	3,707	-4%
DoD	13,200	12,717	-4%
1974			
Army	4,302	4,403	+2%
Navy	4,143	3,403	-18%
Air Force	3,793	3,327	-12%
DoD	12,238	11,133	- 9%
1975			
Army	4,512	4,496	-0%
Navy	3,757	3,431	-9%
Air Force	3,460	3,268	-6%
DoD	11,729	11,195	-5%
1976			
Army	4,473	4,398	-2%
Navy	3,656	3,430	-6%
Air Force	3,441	3,051	-11%
DoD	11,570	10,879	-6%
1977			
Army	4,738	4,056	-14%
Navy	3,674	3,526	-4%
Air Force	3,429	3,209	-6%
DoD	11,841	10,791	-9%

Although the ratio of active duty personnel to physicians is better under the AVF than under the draft, the Services have not been able to recruit and retain sufficient physicians to maintain on active duty the full number that they are authorized, as shown in Table 4-2. Since the end of the draft, this shortfall, as a percentage of the authorized strength, has increased on a DoD basis from 4% in FY 1973 to 9% in FY 1977.

There are some medical specialties in which greater shortages exist, as shown in Table 4-3. The largest shortages are in internal medicine (short 273), radiology (short 148), OB/GYN (short 107), orthopedic surgery (short 94) and aviation medicine (short 85). With the exception of OB/GYN, these are all specialties with high patient loads in wartime. Considering the increased number of women in the military and their expanding role in the combat environment, OB/GYN may be of more importance than in past conflicts.

Table 4-3

Active Duty Physician Shortages by Speciality

	Army		Navy		Air Force		DoD	
	#	%	#	%	#	%	#	%
Anesthesiology	-30	-28	- 8	- 6	- 4	- 6	-42	-13
Dermatology	-29	-33	+ 5	+ 8	- 5	-10	-29	-15
Family Practice	+45	+30	-20	-10	-58	-16	-33	- 5
Internal Medicine	-226	-29	+33	+ 9	-80	-17	-273	-17
Neurology	- 5	- 8	- 4	-12	+ 4	+17	- 5	- 4
Nuclear Medicine	- 8	-35	+ 1	+ 9	0	0	- 7	-19
OB/GYN	-71	-29	+ 1	+ 1	-37	-15	-107	-16
Opthalmology	-22	-25	- 0	- 0	- 6	-10	-28	-13
Otolaryngology	-34	-39	+ 1	+ 1	-16	-23	-49	-20
Pathology	- 9	- 5	+19	+18	+8	+11	+18	+5
Pediatrics	+ 2	+ 1	+30	+15	0	0	+32	+4
Physical Medicine	+ 6	+55	+ 2	+200	0	0	+ 8	+67
Preventive Medicine	+ 7	+14	-14	-16	- 5	-50	-13	- 9
Psychiatry	-43	-20	- 1	- 1	-12	- 8	-56	-11
Radiology	-87	-49	- 7	- 5	-54	-28	-148	-29
Submarine Medicine	-	-	+ 4	+ 9	0	0	+ 4	+ 9
Surgery (General)	-63	-19	- 2	- 1	-11	- 4	-76	- 9
Neurological Surgery	- 1	- 4	- 4	-14	-	-	- 5	-10
Orthopedic Surgery	-85	-40	+20	+17	-29	-21	-94	-20
Plastic Surgery	- 1	- 5	+ 6	+67	-	-	+ 5	+18
Thoracic Surgery	- 3	-10	+ 8	+47	-	-	+ 5	+11
Urology	- 1	- 1	+ 5	+ 8	-10	-15	- 6	- 3
Executive Medicine	+10	+ 6	-12	-11	+3	+ 7	+ 1	+ 0
Aviation Medicine	-11	-11	-30	-15	-44	- 9	-85	-11
Research Medicine	-	-	-24	-38	0	0	-24	-35
Emergency Medicine	-	-	- 6	-100	+15	+150	- 1	- 4

Physician Accession and Retention

The physician shortfall is a persisting problem that predates the AVF. When there was a draft, it was used to procure new physicians; and financial incentives were used to retain experienced physicians in the Armed Forces. Prior to the AVF, health professionals received extra pay, known as Special Pay, up to a maximum of $350 per month depending upon their length of active service. In addition an extra bonus, continuation pay of up to $10,000 per year was authorized those physicians in critical shortage categories who agreed to remain on active duty beyond their initial obligation. In 1974, Congress authorized a new monetary incentive program for physicians known as Variable Incentive Pay (VIP). Under this program, physicians agreeing to remain on active duty beyond their initial period of obligation can receive an additional $9,000 to $13,500 per year depending upon their current length of service and the length of the extension agreed upon. But even with these incentives, pay for some military physicians lagged far behind pay for physicians in the private sector. Radiology is an example of a very well paying medical specialty that is high on the DoD shortage list.

The Uniformed Services Health Professions Revitalization Act of 1972 established the Armed Forces Health Professional Scholarship Program (AFHPS). This program was designed to be a major source for medical officer accessions in the absence of the Berry Plan, which drew large numbers of physicians into the military during the draft years by offering draft deferments to medical students in exchange for service upon completion of their medical training. Under this AFHPS program, a medical student receives tuition, fees, and a monthly stipend while in medical school in return for a year of service for each year of scholarship with a minimum of 3 years of active duty required. The currently programmed physician accessions are displayed in Table 4-4 by source.

Table 4-4

Programmed DoD Medical Corps Accessions

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Draft	117	0	0	0	0	0	0	0	0	0	0	0
Berry Plan a/	2299	2082	1751	1406	364	107	26	9	1	1	0	0
AFHPSP b/	25	150	345	375	765	1014	1001	1109	1165	1146	1076	1169
Volunteer	205	132	454	658	660	763	829	698	640	580	590	590
USUHS c/	0	0	0	0	0	0	0	20	54	95	101	127
Other	779	728	497	324	203	212	151	132	117	72	72	72
Total	3425	3092	3047	2763	1992	2096	2007	1968	1977	1894	1839	1958

a/ Due to long training period required for physicians Berry Plan accessions are still entering the Services although the last contracts under this program were signed in July 1973.

b/ Armed Forces Health Professions Scholarship Program.

c/ Uniformed Services University of the Health Sciences.

The current shortage situation is the result of the rapid decline in accessions from the Berry Plan following the end of the draft in July 1973, and the long educational lead time required to produce active duty physicians through the AFHPS Program which was authorized in September 1972. As shown in Table 4-4, by FY 1977 the number of Berry Plan accessions had decreased to 15% of the FY 1973 level, yet the AFHPS Program accessions had increased to only 66% of the steady state level the program is planned to reach by the early 1980s. The problems resulting from this transition will have their maximum impact during the late 1970s. During this transition, the Services had to rely on volunteers and the increased retention of physicians on active duty to achieve strengths. Retention did improve under the AVF, as shown by the continuation rates (percent of physicians on active duty at the start of the fiscal year who are still on active duty at the end of the year) displayed in Table 4-5.

Table 4-5

DoD Active Duty Physician Continuation Rates

FY	Begin Strength	End Strength	Accessions	Continuation Rate (%)
1973	13869	12717	3425	67
1974	12717	11133	3092	63
1975	11133	11195	3047	73
1976	11195	10879	2763	81
1977	10879	10791	1992	81

In the POM submitted in May 1978, the Army reduced their requested physician authorization by 15% (665 physicians) from FY 1978 to FY 1979, as shown on Table 4-6. This appears not to be a decision based on a change in workload, but rather a decision to reduce authorizations to the projected strength levels. Over the five-year projection period Army authorizations are increased as projected physician stengths increase.

To provide a better yardstick, the Army projections for FY 1979 through FY 1984 are compared to the higher authorizations that were approved for FY 1977 and 1978 (4,738 physicians) as well as the POM requests. DoD totals also are adjusted for these changes as shown in parentheses on Table 4-6. Even considering these adjustments, the physician shortage should be largely eliminated by the mid-1980s. However, these projections may be based on optimistic assumptions concerning future physician retention rates, the level of AFHPSP scholarship participation, and the number of volunteer physicians that can be recruited annually.

Table 4-6

Military Physicians Authorized and Projected End Strength

Fiscal Year	Authorized		Projected End Strength	% Difference	Differences Army	Differences DoD
1978						
Army	4,738		4,140	-12.6%		
Navy	3,643		3,487	-4.3%		
Air Force	3,551		3,209	-9.6%		
DoD	11,932		10,836	-9.2%		
1979						
Army	4,173	(4,738)	4,173	0.0%	(-11.9%)	
Navy	3,687		3,687	0.0%		
Air Force	3,546		3,426	-3.4%		
DoD	11,406	(11,971)	11,286	-1.1%		(-5.7%)
1980						
Army	4,349	(4,738)	4,349	0.0%	(-8.2%)	
Navy	3,665		3,665	0.0%		
Air Force	3,461		3,461	0.0%		
DoD	11,475	(11,864)	11,475	0.0%		(-3.3%)
1981						
Army	4,429	(4,738)	4,429	0.0%	(-6.5%)	
Navy	3,670		3,670	0.0%		
Air Force	3,471		3,471	0.0%		
DoD	11,570	(11,879)	11,570	0.0%		(-2.6%)
1982						
Army	4,451	(4,738)	4,451	0.0%	(-6.1%)	
Navy	3,670		3,670	0.0%		
Air Force	3,471		3,471	0.0%		
DoD	11,592	(11,879)	11,592	0.0%		(2.4%)
1983						
Army	4,486	(4,738)	4,486	0.0%	(-5.3%)	
Navy	3,670		3,670	0.0%		
Air Force	3,471		3,471	0.0%		
DoD	11,627	(11,879)	11,627	0.0%		(-2.1%)
1984						
Army	4,647	(4,738)	4,647	0.0%	(-1.9%)	
Navy	3,670		3,670	0.0%		
Air Force	3,471		3,471	0.0%		
Dod	11,788	(11,879)	11,788	0.0%		(-0.8%)

Note: Numbers in parentheses are end strengths and shortfall percentages with the Army POM authorized end strengths for FY 1979 to 1984 replaced by the Army endstrength as approved for FY 1977 and 1978.

The DoD physician continuation rates that will have to be achieved, if the Services are to attain the projected end strengths, are shown in Table 4-7 and exceed any peacetime rate since before World War II. These rates were derived from Service accession programs and end strength projections. However, these rates may be achievable since the physicians in the high attrition years-of-service groups during this period will be largely volunteers or AFHPS Program graduates who should have considerably higher retention rates than the draft motivated Berry Plan physicians. On the other hand, there is some concern that the future AFHPS Program success could be jeopardized by the decreasing real value of its fixed stipend and the increased competition from other federal programs sponsored under the Health Professions Educational Assistance Act of 1976.

Table 4-7

DoD Active Duty Physician Required Continuation Rates

FY	Begin* Strength	End* Strength	Programmed Accessions	Required Continuation Rate
1979	10836	11286	2007	86
1980	11286	11475	1968	84
1981	11475	11570	1977	84
1982	11570	11592	1894	84
1983	11592	11627	1839	84
1984	11627	11788	1958	85

*Data from Program Objective Memoranda for FY 1980-84 submitted by the Services in May 1978.

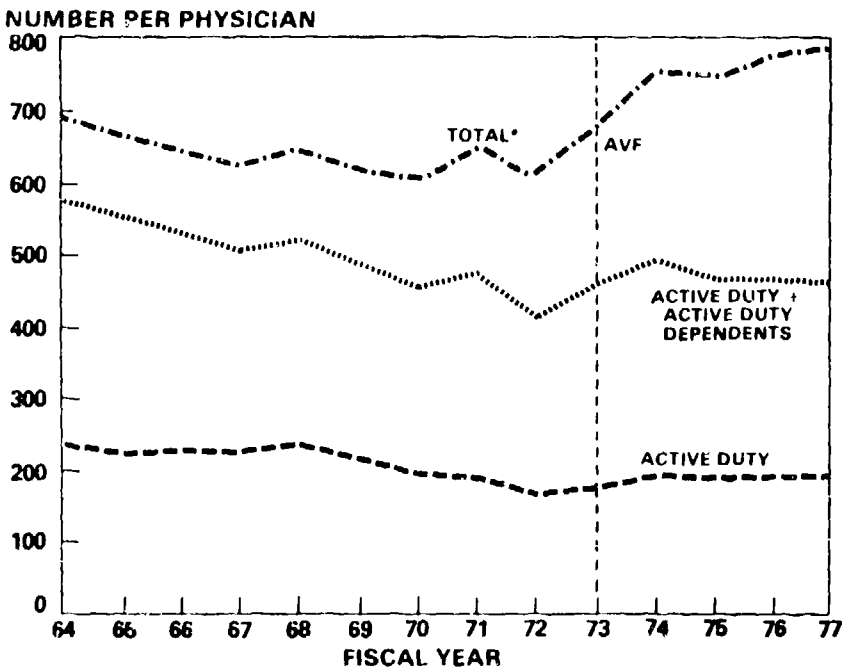
Physician Workload

To put the previous sections in perspective, it is important to consider the changes in physician workload for recent years. These changes will be considered for three beneficiary categories: (1) active duty personnel, (2) dependents of active duty personnel, and (3) retirees, survivors, and their dependents. Since by law only the active duty personnel must be treated by the military health direct care system, they constitute the most critical category. Eligible persons in other categories generally are treated on a space available basis with those not treated by the military health direct care system being referred to the civilian sector through the CHAMPUS program discussed earlier.

Figure 4-1 shows the potential physician workload as measured in terms of eligible persons per active duty physician. For the active duty population, the number of eligible persons per physician was down to 192 persons per physician in FY 1977 from 234 persons per physician in FY 1964. For the class of eligible persons composed of active duty persons and their dependents, the FY 1977 ratio was 464 eligible persons per physician compared to 578 eligible persons per physician in FY 1964. Considering the population of eligible persons that comprise nearly the entire class of persons eligible for care by the active duty physicians, the ratio was 789 persons per physician in FY 1977 compared to 690 persons per physician in FY 1964. The numbers of persons per physician in both the active duty and active duty plus their dependents categories have generally decreased over time; but the number of retirees, survivors, and their dependents has increased over the period from 1,290,000 in 1964 to 3,510,000 in 1977.

Figure 4-1

NUMBER OF PERSONS ELIGIBLE FOR CARE PER ACTIVE DUTY PHYSICIAN

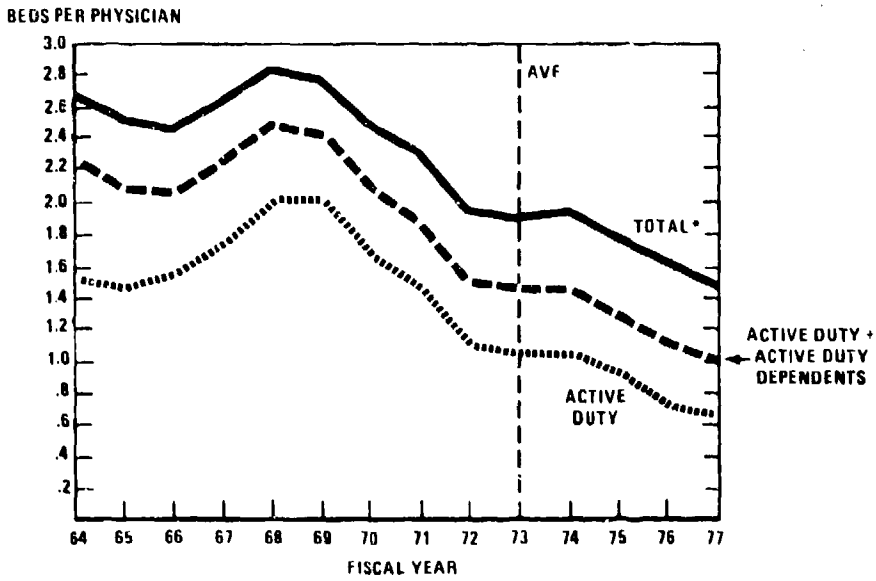


* TOTAL INCLUDES ACTIVE DUTY, RETIREES, ACTIVE DUTY DEPENDENTS, RETIREE DEPENDENTS AND DEPENDENTS OF DECEASED PERSONNEL

Figures 4-2 and 4-3 show similar data for inpatient care (occupied hospital beds per day per active duty physician) and outpatient care (visits per day per active duty physician). For the active duty forces, the inpatient care has declined from 1.5 occupied hospital beds per day per physician in FY 1964 to 0.65 occupied hospital beds per day per physician in FY 1977; and the outpatient care has increased from 5.16

Figure 4-2

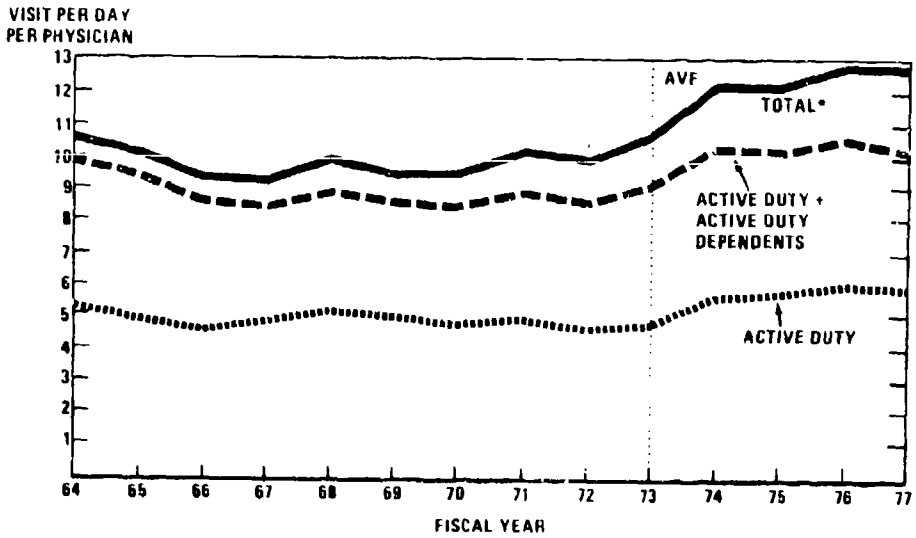
HOSPITAL BEDS OCCUPIED PER ACTIVE DUTY PHYSICIAN



*Total includes active duty, retirees, active duty dependents, retiree dependents and dependents of deceased personnel

Figure 4-3

OUTPATIENT VISITS PER DAY PER ACTIVE DUTY PHYSICIAN



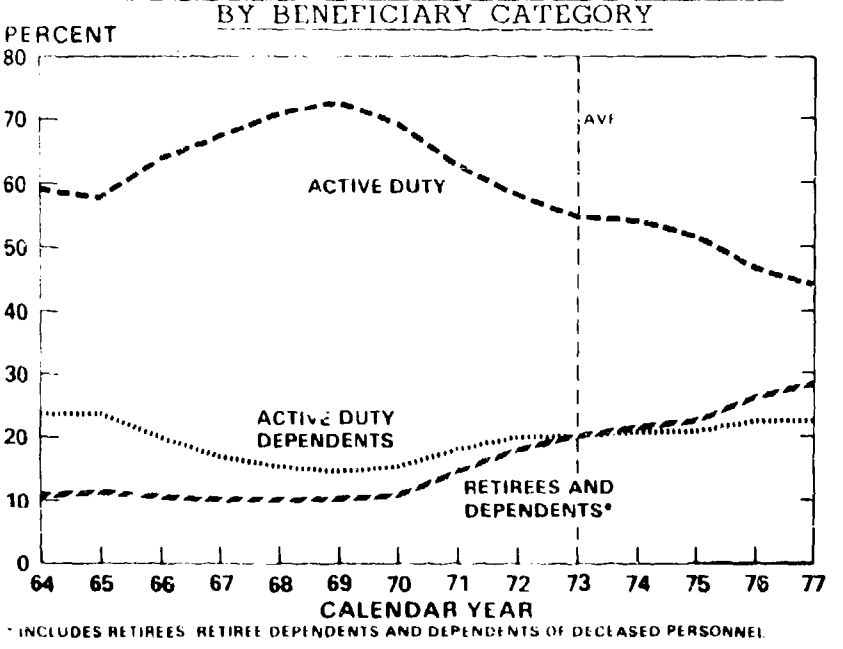
* Total includes active duty, retirees, active duty dependents, retiree dependents and dependents of deceased personnel.

outpatient visits per day per active duty physician in FY 1964 to 5.90 in FY 1977. For the total eligible population, inpatient care decreased from 2.65 to 1.48 occupied hospital beds per active duty physician and outpatient care increased from 10.47 to 12.63 visits per day per physician over the same period.

In addition to these trends in total workload, there also have been major changes in the relative distribution of the workload. There has been: (1) a decline in the percentage of inpatient care for active duty personnel, (2) an increase in the percentage of inpatient care for the dependents of active duty personnel, and (3) an increase in the percentage of outpatient care for retirees, survivors, and their dependents. These changes are dramatically shown in Figure 4-4 and 4-5.

Figure 4-4

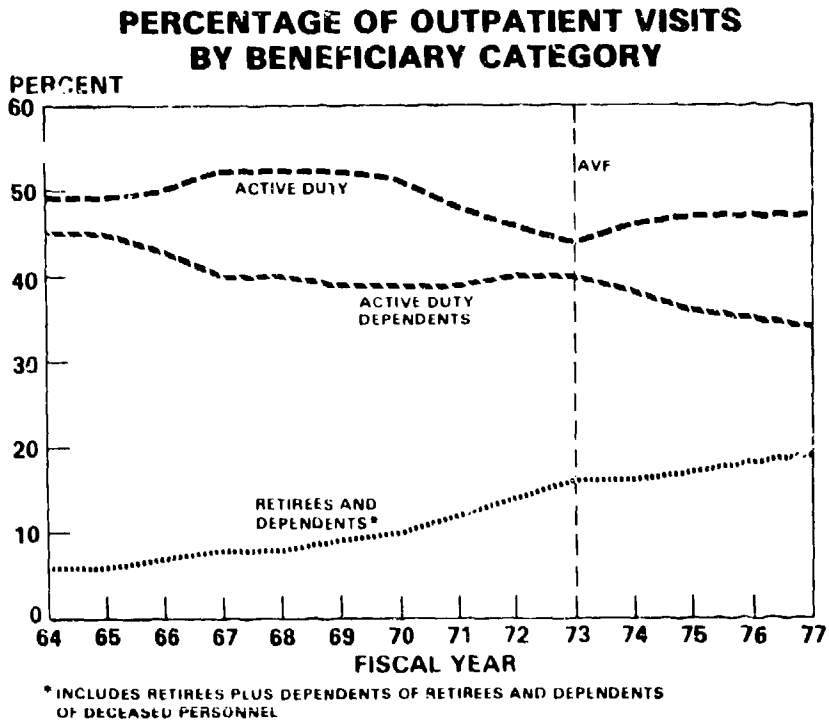
DISTRIBUTION OF INPATIENT CARE
PERCENTAGE OF OCCUPIED HOSPITAL BEDS
BY BENEFICIARY CATEGORY



*INCLUDES RETIREES, RETIREE DEPENDENTS AND DEPENDENTS OF DECEASED PERSONNEL

Figure 4-4 shows that the percentage of the total beds that were occupied by active duty personnel has declined from 59% in FY 1964 to 44% in FY 1977. The percentage of beds occupied by the dependents of active duty personnel was 23% in FY 1977, which is very close to the FY 1964 percentage of 24%. The percentage of beds occupied by retirees and the dependents of retired and deceased personnel has risen from 11% in FY 1964 to 28% in FY 1977. A similar but less dramatic increase has occurred in the percentage of outpatient visits devoted to retirees and dependents as compared to active duty personnel, as shown on Figure 4-5.

Figure 4-5



PERCENTAGE OF OUTPATIENT VISITS BY BENEFICIARY CATEGORY

The percentage of outpatient visits by the retiree and dependent population has risen from 6% in FY 1964 to 19% in FY 1977. The fact that over half the outpatient visits and over half the total military medical facility beds are utilized to care for retirees and dependents suggests that considerable additional direct care medical capacity could be made available for the active duty force by diverting some of the retiree and dependent workload to the civil sector by means of an effective CHAMPUS program.

Notwithstanding these findings, deterioration of health care and long delay in receiving health care are cited again and again as major problems by military personnel, survivors, retirees and their dependents. The complaints appear consistently on surveys and were the most common complaints identified by the President's Commission on Military Compensation during their extended field visits. The limited analysis in this study leads to the conclusion that while there is adequate military medical capability for the active force, the CHAMPUS program is not being used effectively to augment that capability. Evidence outside this study suggests that CHAMPUS is not well received by private sector doctors, is inadequately funded, is not efficiently integrated into the military health care delivery system, and is riddled with red tape. A review of the CHAMPUS program is being undertaken by OSD, and recommendations for programatic improvement and administrative streamlining are anticipated.

CONCLUSION OF PART I

The Active Force is not without problems, but it has done well under the AVF and is projected to meet strength through 1990 with high quality youth. For example, with the initiatives to increase the number of women and decrease first-term attrition, the Army is projected to recruit no less than 60% high school diploma graduates through 1990. Should it become necessary, DoD has identified additional initiatives which could be used to maintain quality. The real AVF issue of the 1980s is quality of accessions. If high proportions of non-high school graduates or those scoring below average on mental tests, are acceptable, there would be little or no problem in obtaining enough recruits to sustain current force levels even without the initiatives described above.

Meeting peacetime medical requirements with volunteers is another concern. There are enough doctors to meet active force peacetime requirements, but not to provide care for all eligible patrons. Improvements in the CHAMPUS system, used by dependents and retirees when there is no space available in military facilities, should overcome most of the peacetime medical shortage problems.

Most of DoD's management attention in the first five years of the AVF have been directed toward the active force. It is now time to concentrate on the reserve components essential to successful mobilization in case of a major war or other national emergency.

PART II - MOBILIZATION MANPOWER

DoD depends on several sources of manpower to meet its wartime requirements. These include the active forces, selected reserve components, pretrained individuals and untrained individuals. Since the active forces provide our first line of defense in all contingencies, keeping them well manned and ready has been a primary concern of the Department of Defense under the All-Volunteer Force. It continues to have a high priority, but increasing attention now is being devoted to the other manpower categories. Personnel in these categories constitute the mobilization manpower of the Department of Defense and are addressed in this section.

Chapter 5 discusses the selected reserve components, which provide manpower in organized units to be called to active duty as necessary to augment the active force units during mobilization. 1/ Some reserve and national guard units also assist active duty units during peacetime by providing services used by the active forces while the reserve units are training. For example, many of the strategic bombers are fueled on their peacetime missions by reserve tanker aircraft manned by aircrews in a drill status. These reserve components not only provide current services and backup our active forces in case of a longterm conventional war, but they also provide the rapid reinforcement capability needed early in a large scale conventional conflict of short warning. The major manpower problem facing the selected reserve components is a shortage of enlisted personnel, particularly in the Army Reserve components.

In Chapter 6, the requirement for supply of pretrained individuals to augment the active forces and the reserve components is discussed. Pretrained individuals include retired personnel, the Individual Ready Reserve (IRR) and standby reserve (SBR). 2/ IRR and SBR personnel are generally not paid. A final possible source of pretrained individuals is veterans who are not included in the above categories but have previously been trained and are available in dire emergency if they can be located and brought on active duty. At this time there is no procedure or authority to call up such veterans.

1/ The DoD selected reserve components are: Army National Guard (ARNG), Army Reserve (USAR), Naval Reserve (USNR), Marine Corps Reserve (USMCR), Air National Guard (ANG), and Air Force Reserve (USAFR).

2/ The IRR is composed primarily of persons who have completed some active duty service but have part of their six year military obligation remaining. The SBR contains members of the IRR who request SBR status during the last year of their military obligation. Currently the SBR can only be called up following a determination of availability by the Selective Service System, while IRR can be recalled directly by DoD upon mobilization.

Pretrained individuals are needed upon mobilization to augment units that are not at full combat strength and during a conflict to provide replacement personnel in the early phases of a conflict before untrained individuals can be called to active duty and properly trained and equipped for combat. Under the AVF and since the end of the Vietnam War the number of pretrained individuals in the IRR and SBR has declined dramatically, until today there is serious concern that there are inadequate numbers of pretrained individuals to meet military requirements. The change in scenario calling for a high-intensity war with short warning has also increased the need for pretrained individuals. Again, the major problems are centered in meeting the requirements for the Army.

The final category of mobilization manpower is untrained individuals, discussed in Chapter 7. By law, all men ages 18 to 45 who are not otherwise associated with the military are classified as being part of the unorganized militia and are subject to callup as Congress may direct. This manpower pool, in addition to a similar population of women, constitutes the untrained individual resources.

From 1941 through 1975, young men reaching the age of 18 were required to register for the draft and were classified for purposes of facilitating the mobilization of untrained individuals. Since 1975, there has been no registration. Untrained individuals only become mobilization assets after they have been called to duty and trained to perform military functions. They constitute the mobilization assets to sustain a long conflict or to provide needed manpower in case there is adequate warning time. The delay between the mobilization decision and the callup of the first untrained individuals is important, since it must be added to the training time to determine when the flow of previously untrained individuals can be relied upon in theater.

The Selective Service System, that used to classify and call untrained individuals to active duty, has been placed in a deep standby status. There is concern about its deep standby status and the ability to mobilize untrained manpower efficiently and rapidly to meet the requirements of a large scale conflict in central Europe.

These three chapters discuss the mobilization manpower issues and the actions being taken by the Department of Defense to improve responsiveness in case of either a high intensity, short duration war or a more sustained conflict.

CHAPTER 5 - THE SELECTED RESERVE

The reserve force 1/ augments the active duty force during mobilization. In peacetime, members of the selected reserve receive military training and attend drills for which they receive drill pay. The selected reserve force is an essential part of our total force. Both combat and support units in the selected reserve are scheduled to deploy in the early phases of a major war in Europe.

The enlisted selected reserves, particularly the Army components, have not fared as well as the active force under the AVF. This has been due in part to a lack of attention during the early years of the AVF when most of the management efforts were focused on the active force and, in part, to past reserve manning practices. For example, many people enlisted in the reserves during the Vietnam conflict to avoid the draft and most of these have not reenlisted, causing higher than normal turnover.

The following sections describe the selected reserve force under the AVF with particular emphasis on enlisted personnel. Also provided are enlisted force projections and a summary of the programs being initiated by DoD to overcome existing problems.

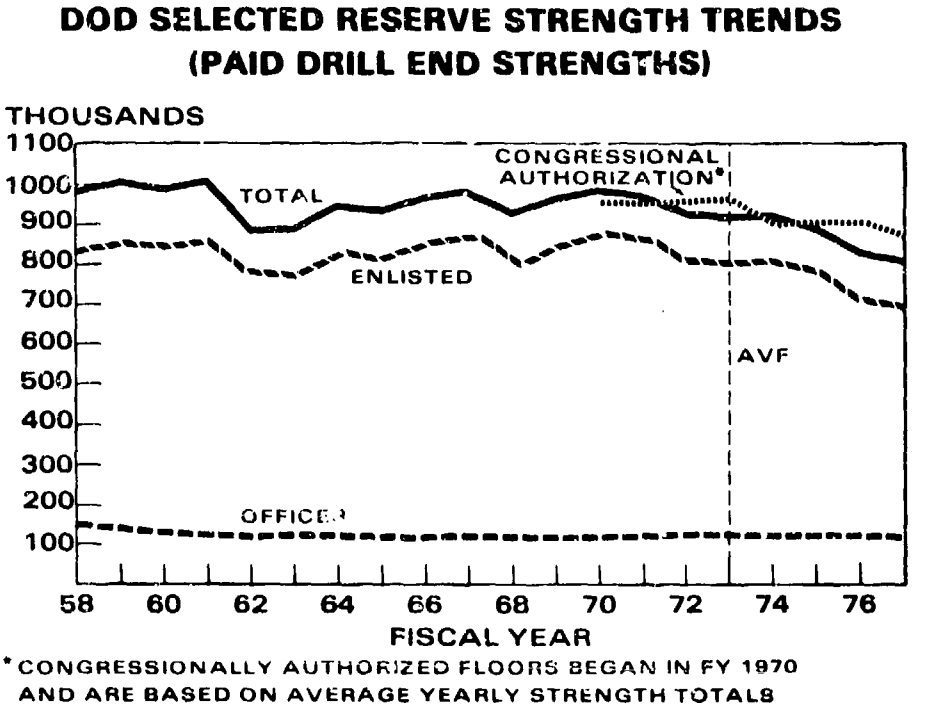
Strength Trends Through FY 1977

The selected reserve strength has decreased from 919,000 in 1973, the beginning of the AVF, to 807,500 in FY 1977. This is a decrease of over 12% from the FY 1973 level. As shown in Figure 5-1, almost all of the decrease has occurred in the enlisted force. 2/ Figure 5-1 also compares total selected reserve strength with the Congressional authorizations during the AVF. Congressional authorizations have, in fact, been adjusted downward due mainly to the reserve components' inability to attain higher strength levels.

1/ There are six DoD reserve components. These are the Army National Guard (ARNG), the Army Reserve (USAR), Naval Reserve (USNR), the Marine Corps Reserve (USMCR), Air National Guard (ANG), and the Air Force Reserves (USAFR).

2/ Detailed data provided in Appendix A show that officer strengths in all of the selected reserve components have remained essentially constant except for one-time decreases in the Army Reserve due to force structure changes.

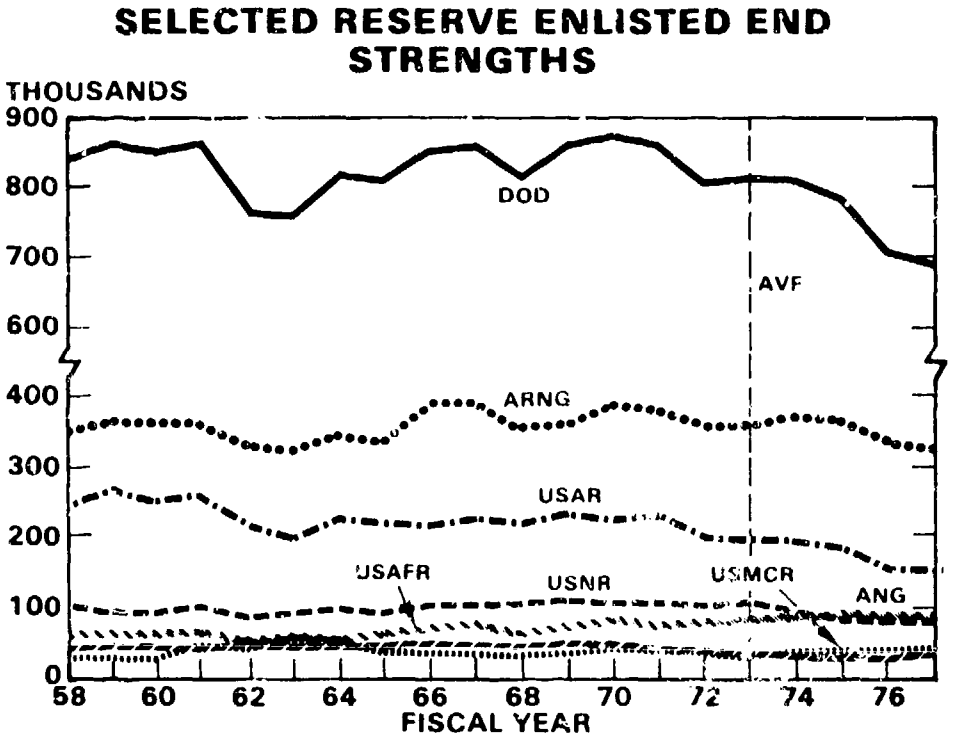
Figure 5-1



The decline in enlisted strengths, as shown in Figure 5-2, is dominated by the reduction in the Army components. The most severe drop in enlisted strength has occurred in the Army Reserve which decreased by more than 21% (from 195,000 to 153,700) between FY 1973 and FY 1977. 3/

3/ While there has also been a significant decrease in the Naval Reserve strength, it has been caused by force structure and mission considerations--not AVF manning problems.

Figure 5-2



The combined Army Guard and Reserve enlisted force is manned at about 80% of its peacetime authorization. But Army reserve component manning shows a wide degree of variation among units (Table 5-1). Twenty-eight percent of all the Army selected reserve companies (and equivalent units) are less than 70% manned. The extent of the variation in manning levels is underscored by the fact that 20% of all Army reserve component units are manned at 100% or more. In addition, the early (M+30) force, which is manned at about 85%, has even wider fluctuations than the total force. That is 30% of the M+30 force is manned at less than 70% while 30% is manned at 100% or more.

Table 5-1

Army Reserve Component Manning
Variation Among Company Sized Units*

Early Deploying (M+30) Force

Unit manning levels	Percentage of Authorized Strength in Units		
	USAR	ARNG	Total
Less than 70%	49	11	30
70% to 99%	29	51	40
100% and over	22	38	30

Total Force

Unit manning level	Percentage of Authorized Strength in Units		
	USAR	ARNG	Total
Less than 70%	47	19	28
70% to 99%	39	57	52
100% and over	14	24	20

*As of mid FY 1977

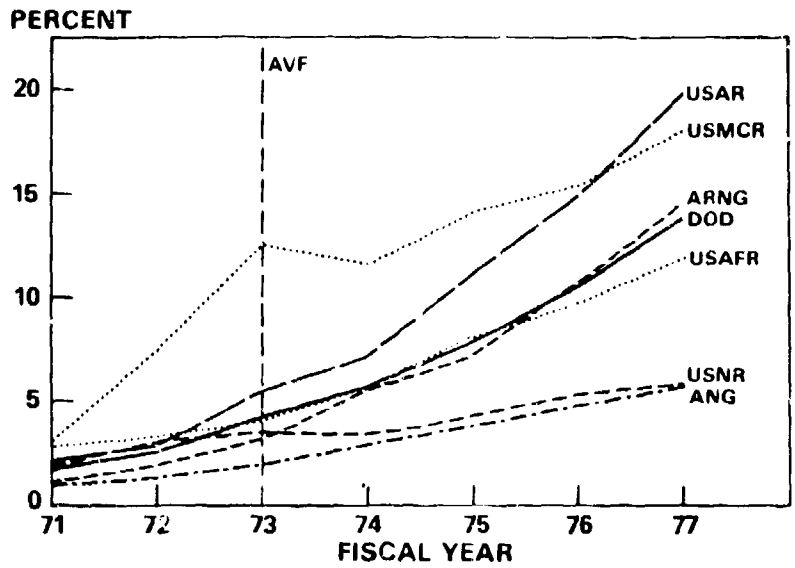
Not only has selected reserve strength declined since the beginning of the AVF, but also the mix of people joining the selected reserve has changed. For instance, today there are many more women and blacks in the selected reserve than there were during the draft and the number of recruits with college education has declined.

Blacks in the Reserves

The proportion of blacks in the selected reserve has increased dramatically from 1% in FY 1969 to 14% in FY 1977. During the draft years only a few blacks were accepted, but since then the percentage of black enlistments has increased significantly. As a result of these increases, there have been corresponding, but more gradual, increases in the percentage of blacks in the units. Figure 5-3 shows that from FY 1971 to FY 1977, the Army Reserve increased its proportion of black personnel from 2% to 20%. The 1977 lows were in the Naval Reserve and Air National Guard with only 6% each.

Figure 5-3

BLACK STRENGTH AS PERCENTAGE OF TOTAL
(BY RESERVE COMPONENT)



The percentage of black officers in the selected reserve has also increased since FY 1973, as shown in Table 5-2. Even though the percentage has increased by almost 60% since 1973, it still represents only 2.5% of selected reserve officers, well below the enlisted level.

Table 5-2

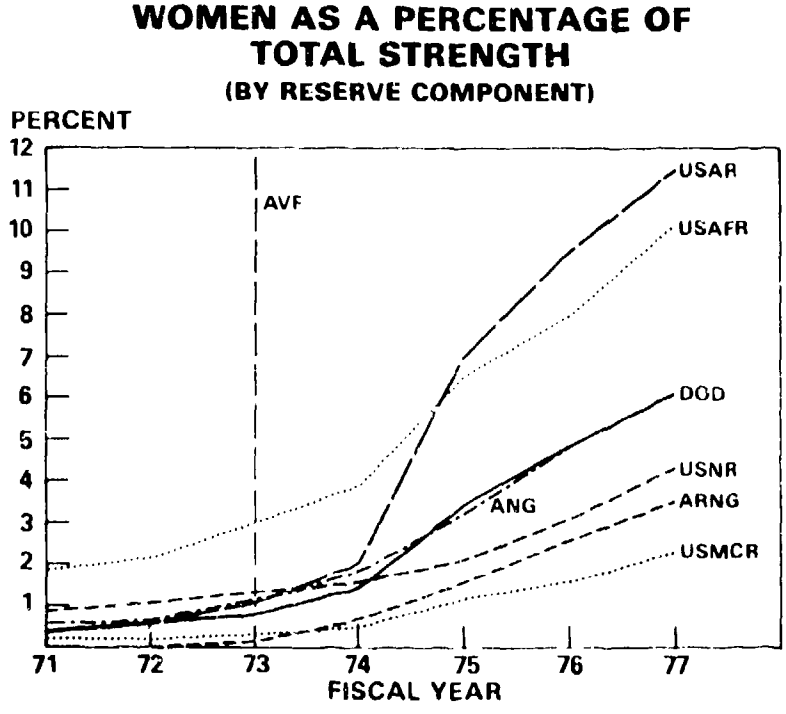
Percentage of Blacks in the Selected Reserve

	FY 1973		FY 1977	
	Officers	Enlisted	Officers	Enlisted
Army National Guard	1.4	3.5	2.4	15.8
Army Reserve	2.7	6.2	3.9	23.3
Naval Reserve	0.4	4.0	0.8	7.2
Marine Corps Reserve	0.9	13.2	1.9	19.5
Air National Guard	0.7	2.2	1.4	6.4
Air Force Reserve	1.7	5.1	2.1	14.9
DoD (Selected Reserve)	1.6	4.6	2.5	15.6

Women in the Reserves

The number of women in the reserve forces has increased more rapidly than in the active forces. In FY 1971, there were 3,700 women or 0.4% of force in the selected reserve program. This increased to 49,400 in FY 1977 or over 6% of the force, as shown in Figure 5-4. The greatest change in the proportion of women has been in the Army Reserve, which has increased from less than 0.4% women in FY 1971 to over 11% in FY 1977.

Figure 5-4



The percentage of women officers in the selected reserve has also increased, as shown in Table 5-3, but these increases are not as large as the increases of enlisted women. The Air Force Reserve has the largest percentage of women officers, while the Marine Corps Reserve has the smallest percentage. Reserve women officers are working in a wider range of career fields. In FY 1971, only 10% of the women officers were in nonmedical fields. While the number of women medical officers has held about constant, the increase in the number of reserve women officers has occurred in the nonmedical fields where 35% of them now work. This percentage is comparable to the active forces.

Table 5-3

Percent of Women in the Selected Reserve

	FY 1973		FY 1977	
	Officers	Enlisted	Officers	Enlisted
Army National Guard	0.3	0.1	1.8	3.7
Army Reserve	2.6	0.7	6.5	12.6
Naval Reserve	1.0	1.3	2.7	4.7
Marine Corps Reserve	1.0	1.1	1.6	2.4
Air National Guard	3.4	0.8	3.9	6.4
Air Force Reserve	8.5	1.0	8.6	10.7
DoD (Selected Reserve)	2.3	0.6	4.3	6.4

To a large extent, the rapid growth in the number of enlisted and officer women has been linked with the expanding role of women reservists in nontraditional skills and the movement of women into units which previously were all male. These increases in women generally have been perceived as strengthening the performance, quality and size of the reserves. Yet, most women select the traditional skills and further work is needed to determine how many women in the future can be used in various units and skills.

The skills and types of units open to women in the reserve components generally have followed the active force patterns, although the local area recruiting and the lack of a central assignment process have resulted in unequal distribution of both women and minorities among units. As the number of women in reserve units has increased and as the rules governing retention of women who are married, pregnant, or with dependent children have been liberalized, some critics have questioned the willingness of such women to meet a mobilization call. Care must be taken to ensure that both men and women in the reserve components are ready, willing and able to serve in case of mobilization. If there are mobilization problems, they are problems of leadership for unit commanders and require prior planning by both the men and women involved.

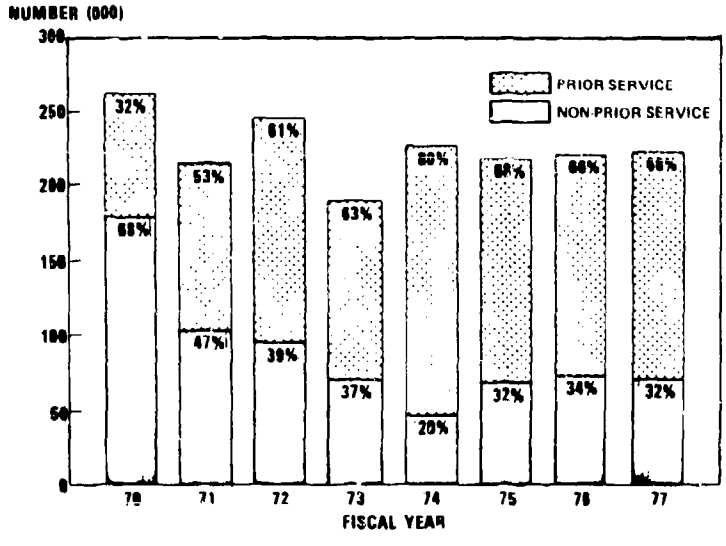
The dramatic increase of enlisted women in some of the reserve components has been accomplished by recruiting many female non-prior service accessions. In FY 1975, almost 24% of all selected reserve non-prior service accessions were women. The Air Force Reserve led with 74% and the Army Reserve was recorded at 49%. However, since non-prior service accessions were only about a third of the total accessions, the overall percentage of women accessions was much lower than for NPS accessions.

Reserve Enlisted Accession Trends

Under the AVF we have enlisted fewer people in the selected reserve than during the draft and a greater proportion of our reserve accessions have had prior service before enlisting. However, Figure 5-5 shows that both the total number of accessions and the mix of NPS and prior service accessions for DoD as a whole have remained relatively constant under the AVF. Experienced prior service personnel are, of course, more productive than untrained recruits, they are also older and more expensive. Moreover, prior service accessions who enlist for one year at a time, add turbulence and uncertainty for reserve force managers.

Figure 5-5

DOD SELECTED RESERVE ENLISTMENTS



The Service objectives would have a more NPS intensive mix of accessions than we have experienced under the AVF. Table 5-4 shows the desired percentage of NPS accessions against actual experience for FY 1971 and FY 1977. The Army and Air Force components had a more intensive NPS to prior service mix in FY 1971 than their current objectives, but their NPS percentages in FY 1977 were less than the objectives. The Navy components had a higher percentage of NPS accessions in FY 1977 than FY 1971, but still did not obtain their objective levels.

Table 5-4

Selected Reserve NPS Accessions
(As Percent of Total Enlisted Accessions)

	FY 71	FY 77	Objective
Army Nat'l Guard	80	42	50
Army Reserve	79	23	46
Naval Reserve	5	9	18
Marine Corps Reserve	32	55	75
Air Nat'l Guard	55	25	30
Air Force Reserve	39	22	30
DoD	43	32	44

One can argue that increases in prior service accessions create grade structure problems (especially in the land forces) and increase costs, but they also increase the quality of the force by bringing in trained and experienced personnel in lieu of untrained novices. On balance, these quality increases may be more important than the actual strength levels.

Accession Quality

Differences between the reserve and active components require that trends in quality of non-prior service reserve accessions be viewed somewhat differently from the treatment of the active force in Chapter 2. First, recruit "quality" during the Vietnam War was swollen by college-trained "recruits" seeking to avoid the draft. Second, prior service enlistments provide an important--perhaps the most important--source of manpower for the reserve forces. And, as noted earlier, with prior service recruits, experience and skill level are more significant than the less direct measures of quality applied to non-prior service personnel. Table 5-5 compares by education and mental category, non-prior service and prior service selected reserve accessions in FY 1977. Prior service accessions have higher quality than the non-prior service accessions, and because they comprise two-thirds of the accessions, are sustaining the overall quality of selected reserve accessions.

Table 5-5

Quality of Selected Reserve Accessions in FY 1977

Education	Percent of Accessions Non-Prior Service	Prior Service	Total
High School Graduates*	54%	83%	72%
Non-High School Graduates**	46%	17%	28%
Mental Categories			
I&II	29%	48%	40%
III	60%	45%	51%
IV	11%	7%	9%

* May contain an indeterminate fraction of accessions with high school certificates rather than diplomas.

**A significant proportion of the non-high school NPS accessions are persons who join the reserves during their senior years of high school and become graduates prior to initial active duty training.

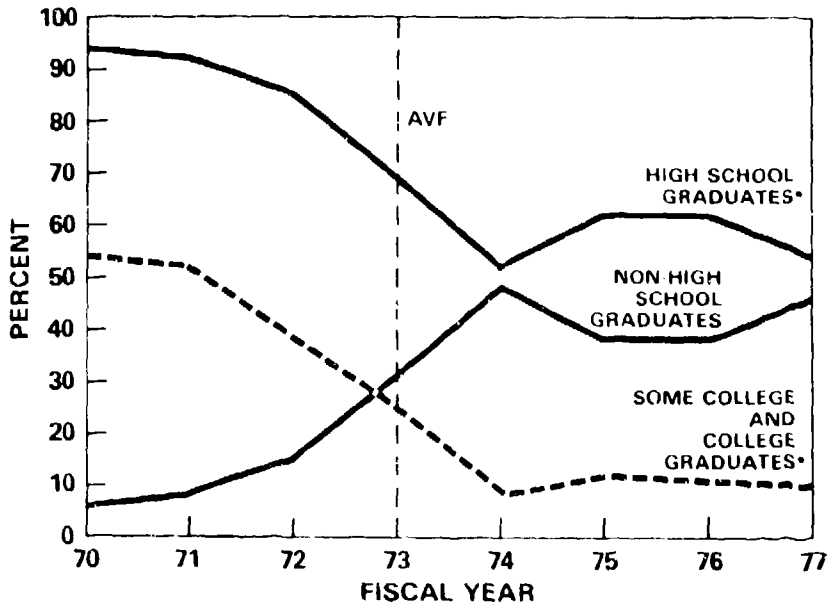
Even though the education and mental test scores are the best available indicators of quality for NPS accessions, they are lesser indicators for prior service accessions who bring experience, a proven record of success in the active force, as well as an eligibility to reenlist in either the active force or the selected reserve. Prior service accessions are also the source of valuable combat experience.

While information for past years is not available for prior service accessions, data on the education level and mental category of non-prior service accessions is shown in Figures 5-6 and 5-7. Adding high school and college together shows that 94% of the reserve non-prior service accessions had high school diplomas in 1970. In FY 1977 this percentage had fallen to 54%. 4/ There has also been an obvious decline in the proportion of reserve force enlistees with college training. For instance, over 50% of the FY 1970 accessions had some college training but less than 10% had been to college in FY 1977.

4/ About 75% of the youth population complete high school.

Figure 5-6

EDUCATIONAL ATTAINMENT OF SELECTED RESERVE NPS ACCESSIONS

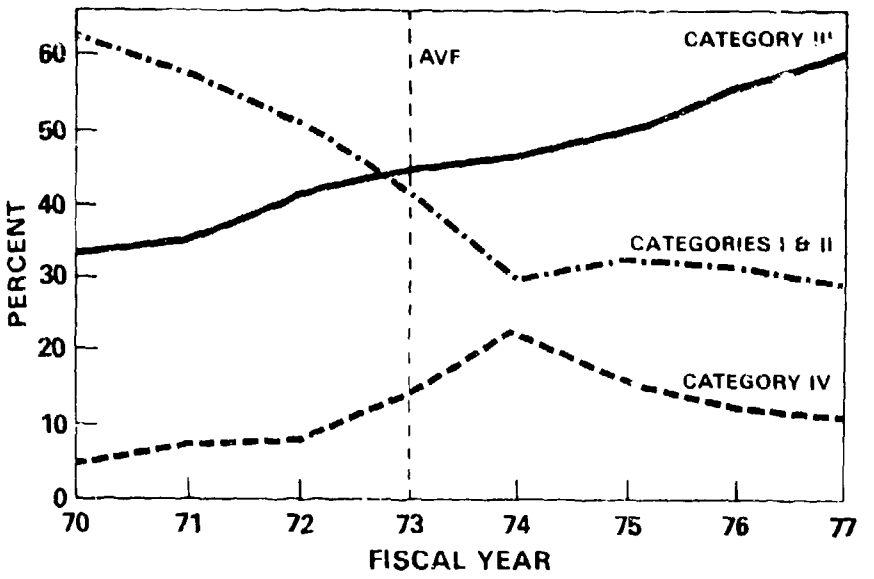


*HIGH SCHOOL GRADUATE LINE INCLUDES THOSE WITH SOME COLLEGE AND COLLEGE GRADUATES

The decline in college youth in the reserves is attributable to the AVF. During the draft years, the reserve forces were "havens" for college-trained youth who desired to avoid active service. In each of these years, almost 100,000 men with some college training enlisted. However, many of these draft-motivated college-trained accessions were overqualified or otherwise unsuited for the positions to which they were assigned. And, as a result, retention rates beyond initial enlistment were very low. Following the end of the draft, the number of college-trained enlistees dropped dramatically to a level of about 3,000 per year. This decline in educational level is correlated with a decline in mental group I and II enlisted reservists. Figure 5-7 shows the change in the mental category distributions of non-prior service accessions.

Figure 5-7

SELECTED RESERVE NPS ACCESSIONS BY MENTAL CATEGORY



Under the AVF mental categories I and II of the non-prior service accessions have declined while categories III and IV have increased. Category IV enlistments hit a peak of 24% of the non-prior service accessions in FY 1974, this has declined to about 11% in FY 1977. While the percentage of mental categories I and II is now half of what it was in FY 1970, the reserve force tends to be much more "average" today under the AVF than it was under the draft or the early years of the AVF.

The decline in the quality of non-prior service accessions since the beginning of the AVF is partially balanced by the lower percentage of accessions they represent. The increase in high quality, experienced prior service accessions has tended in large measure to offset the decline in the number and quality of non-prior accessions.

Reserve Recruiting

As part of the effort to achieve reserve strength under the AVF, recruiting resources have increased. Table 5-6 shows reserve recruiting budgets since FY 1975. Comprehensive cost data for recruiting is not available before FY 1975 because the small budgets were frequently

combined with active force recruiting costs or included in other items of reserve component budgets.

Table 5-6

Reserve Component Recruiting Budgets
(In $Millions)

	FY 75	FY 76	FY 77	FY 78	FY 79*
Army National Guard	21	24	25	32	31
Army Reserve	18	22	38	53	56
Naval Reserve	8	8	9	10	11
Marine Corps Reserve	4	3	3	3	4
Air National Guard	4	5	6	8	10
Air Force Reserve	6	6	7	7	8
Total	61	68	86	113	119

*FY 79 President's Budget.

During the draft years, reserve units had waiting lists of prospective non-prior service enlistees and recruiting costs were negligible. Because reserve units had previously been responsible for their own manning, this philosophy continued when the draft ended. However, recruiting became a time-consuming function and commanders had to use unit members to perform recruiting functions rather than participating in their regular training. This arrangement was unsatisfactory and the lack of full-time, trained, professional recruiters contributed to declining numbers of accessions. Consequently, there has been a shift toward the use of trained, full-time recruiters in place of part-time reservists. However, the Army Reserve did not move to a full-time recruiting force until FY 1977; and the Army National Guard just moved to a full-time force in FY 1978. The lack of a full-time effective recruiting force partially explains the Army shortages. 5/

5/ Further discussion of reserve recruiting is presented in Appendix D.

Two other points should be noted when discussing selected reserve recruiting. First, the reserve market is mostly a local, rather than a national market, and is heavily influenced by the applicant's desire to remain in the community and to supplement his income with part-time employment. The reserve competes in the local secondary labor market and the active force in the national primary labor market. Second, the recruiting problems in the selected reserve have not been uniform. Some units have managed to maintain their strength levels and recruit stufficient numbers of young non-prior service men and women; others have had serious recruiting problems and significant shortfalls in strength.

Reserve Attrition

The preceding sections have shown that while enlisted accession levels have remained relatively constant under the AVF, Army reserve component enlisted strengths have declined. Table 5-7 shows the severity of the problem for the Army Components in which turnover rose from 19% in FY 1973 to 33% in FY 1977.

Table 5-7

Army Reserve Enlisted Strength & Accession Trends
(000)

	ARNG		USAR		TOTAL		
FY	Strength	Accessions	Strength	Accessions	Strength	Accessions	Turnover*
1973	351.7	68.4	195.0	36.5	546.7	104.9	19%
1974	368.9	102.7	196.5	48.6	565.7	151.3	24%
1975	360.9	89.5	187.0	60.0	547.9	149.5	28%
1976	328.0	108.5	158.9	48.6	486.9	157.1	32%
1977	320.7	105.0	153.7	52.8	474.5	156.8	33%

* Turnover is defined as the percentage of the force which was replaced by new accessions during the fiscal year.

These simple statistics would suggest that the reserve manning problem is not so much in the ability to enlist people but rather the ability to retain them or, simply, the turnover problem. One reason for the increasing turnover is the greater dependence on prior service accessions who, as previously noted, may enlist for only one year at a time. Another major factor is the first term attrition being experienced for recent reserve NPS accessions. Table 5-8 shows that about one half of the NPS accessions who entered the force during the first quarter of FY 1974 were not in the active or selected reserve force three years later 6/ even though the typical initial committment in the reserves is six years. Similar statistics are also true for prior service gains. That is, over one-half of the FY 1974 accessions had left the service by the end of FY 1977.

Table 5-8

Selected Reserve 0-36 Month Attrition*

Attrition From:	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD**
Selected Reserve Components	64	61	71	66	39	**	63
-Transfer to Active	-6	-8	-13	-11	-4	**	-9
-Transfer to Other SR	-2	-2	-2	-2	-11	**	-1
Active/SR Forces	56	51	56	54	25	**	53
-Transfer to IRR	-2	-4	-22	-11	-6	**	-10
-Transfer to SBR	-15	-15	-10	-3	0	**	-10
DoD Net Total	40	32	24	41	18	**	34

*Percent of July-September 1974 NPS accessions not in force at end of FY 1977.

**Data not available for USAFR.

6/ However, about one third of those lost remained mobilization assets as members of the IRR or standby reserve.

Selected Reserve Strength Projections

While the decline in reserve component strength since the end of the draft five years ago reflects the difficulties in recruiting in the all-volunteer environment, today's reserve manpower problems are also due to pre-AVF practices in manning the reserves. For instance, many young people enlisted in the reserves during the Vietnam war to avoid the military draft, but few of them reenlisted at the end of their initial six year commitment, and the reserve components have faced problems of replacing unusually large losses in the reserve components during the last several years. This period has nearly ended, and we project that selected reserve enlisted strength will stabilize and make modest increases in the 1980s even without the initiation of new programs to increase strength. These projections, provided in Table 5-9, are based on recent loss behavior and on FY 1977 accession levels, adjusted for population changes.

Table 5-9

Enlisted Selected Reserve Strength Projections*
(000)

Component	FY 73	FY 77	FY 80	FY 82	FY 84	FY 86	FY 88	FY 90
Army National Guard	352	321	336	339	340	342	343	343
Army Reserve	195	154	165	169	169	172	174	175
Marine Corps Reserve	35	27	31	31	31	30	30	29
Air Force National Guard	79	80	84	86	86	87	87	87
Air Force Reserve	34	37	41	43	44	44	44	44

* Navy projections not shown since future Navy Reserve strength will likely be determined by factors other than supply and personnel shortages.

While our projections are encouraging, they also do not solve the Army Reserve and National Guard strength problems. Other initiatives are needed. The following sections discuss the actions to be taken by DoD to solve the reserve component manning problems and other actions that can be taken if needed.

Reserve Initiatives

DoD has undertaken several initiatives to alleviate the reserve manning problems. These initiatives include the Army Selected Reserve

initiative package, reserve attrition initiatives, and more varied initial training options for reserve recruits. In addition, a brief discussion is provided of the Reserve Compensation System Study (RCSS) recommendations which are under review in DoD. DoD believes that with the proper attention, emphasis, and initiatives the AVF will work for the reserve force in the future as it has for the active force.

Army Selected Reserve Initiative Package

The Army has initiated a major program to improve the readiness of the early deploying (M+30) force. These initiatives include: an enlistment and reenlistment bonus program and educational incentives to provide increased manning; additional full-time manning to aid in training and improve readiness; and, some increases in funds for recruiting and advertising. The Army has programmed an increase in its reserve component M+30 force so that by FY 1984 the reserve component M+30 force will be more than five times its FY 1978 size. The objective of the program is to increase the manning of the M+30 force to 100% of wartime requirements and to reduce the turbulence for these units. Additional "drag along" effects on the later deploying force are also expected; however, they will not be as significant as those for the M+30 force. While the specifics of the program are still being worked out, the bonus program will include immediate and deferred (annual) payments and the full-time manning increases will be targeted at the unit level. The cost of this program including the expected increase in paid drill strength will be about $100 million in FY 1980 and will increase to about $200 million by FY 1984.

Reserve Attrition Initiatives

As noted earlier, enlisted attrition is a key contributor to the Army reserve manning problems. Yet, the reserve components currently are not equipped to manage the problem. For instance, the reserve component information systems are not structured toward tracking and monitoring attrition losses, and there appear to be few, if any, tools designed specifically for decreasing attrition. Simply stated, to date there has not been enough attention paid to reserve attrition. DoD is now taking steps to improve this situation. These include establishing a reserve attrition data base and tracking system and sponsoring research to determine how and why people are leaving the reserves in such great numbers. Once the data base is established and the results of the research known, DoD will increase its efforts to reduce attrition.

Initial Training Options

The selected reserve would like to attract people in the 20-25 age group. However, each NPS accession must receive about 12 or more weeks of basic and initial skill training. If taken at one time, this can present an unnecessary hardship on potential recruits, especially for

those who have jobs and are settled. To alleviate this problem, DoD has taken or is considering the following:

- Providing a split training option whereby an individual can take basic and initial skill training in two separate periods rather than all at once.

- Considering a program whereby people with certain skills could conduct and accomplish their initial skill training in the community.

- Conducting a test of a vocational technical training program in which the recruit receives initial skill training during his senior year of high school while he is attending drills.

- Considering expanding our civilian acquired skill program in which recruits receive constructive credit for civilian schooling or acquired skills.

The program of additional initial training options is just getting underway. We expect that widespread use of these options will expand the size of the selected reserve target population and will also attract more people from within the existing target populations at low cost.

Reserve Compensation System Study (RCSS) Recommendation

The reserve compensation system evolved in the draft environment where draft processes provided excess supply of junior people and the primary task of the compensation system was to retain a small number of experienced NCO and officer personnel. It worked well under the draft, but has not met the needs of the reserves under the AVF.

In recognition of these shortcomings, the Secretary of Defense established the Reserve Compensation System Study (RCSS) to perform an in depth analysis of the selected reserve compensation system and to determine what adjustments were needed to make the reserve compensation more responsive to the needs of the reserve force in an AVF environment.

The RCSS concluded that the present reserve compensation system provides too little compensation to people in the lower grades with few years of service and provides excessive compensation for the higher ranking people with many years of service. They further concluded that the present reserve retirement system fosters an aging force and to a large extent has created serious shortages in years of service 1-6 and overages in years of service 21-30.

To correct the identified problems, the RCSS proposed major revisions to the reserve compensation system. The study recommended the use of two pays: training pay, which would be based on active duty pay by

grade and would be paid for each eight hour training day; and retainer pay, which would be paid uniformly for each category (officer, enlisted, warrant officer) regardless of years of service and grade. In addition, greater use would be made of differential pays such as enlistment, affiliation, and reenlistment bonuses. There would also be an educational assistance option for the enlistment bonuses that would provide up to $2,000 for educational costs for a four year period.

The net effect of these pays would be to increase the compensation for junior reservists and decrease it for the more senior personnel.

The two RCSS proposed compensation systems differed only in their deferred compensation provisions. One system includes a modified retirement plan in which retirement benefits would be payable starting at age 60, as is in the present system, but at a much lower rate than the present system (34% maximum). The second alternative would substitute a career bonus program in lieu of retirement. Of course, grandfathering would be provided. These recommendations are currently under review in DoD.

CHAPTER 6 - PRETRAINED INDIVIDUALS

Pretrained individuals are trained military personnel who have left the active or selected reserve force but remain available in case of a major war. These people are valuable mobilization assets since they provide the replacements and fillers needed early in a major conflict before the draft can provide trained personnel.

The exact number of pretrained individuals needed depends on the type of conflict expected. For example, an intense war which begins with little warning and has high early combat losses requires a greater number of pretrained people than a war which builds up slowly after a long warning period. Until recently there have been enough people in the Individual Ready Reserves (IRR) to cover any reasonable wartime contingency. However, as discussed in the following section, the size of the IRR has declined so much in the last few years that pretrained individual shortages now exist for some contingencies, especially in the Army enlisted force. As highlighted in this chapter, DoD has taken several actions to overcome these shortages and is studying further initiatives to insure there are enough pretrained individuals in the future to meet any reasonable wartime demand.

IRR Strength Trends Through 1977

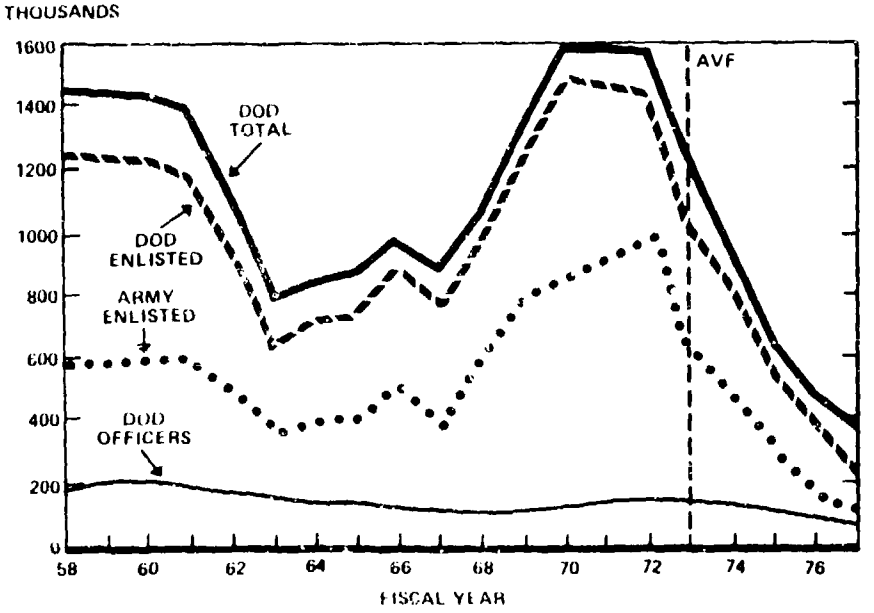
The Individual Ready Reserve consists of trained officer and enlisted personnel who have left the active or the selected reserve force but are available in case of a major war. Most of the enlisted people in the IRR have time remaining on their initial six year military obligation 1/ while the officer complement is made up of both obligated officers (i.e., have time remaining on their MSO) and non-obligated officers, many of whom are awaiting retirement. Until recently, the number of individuals in the IRR far exceeded expected wartime mobilization requirements. Because of these large numbers, the IRR existed mainly as a holding pool for obligated members until they were discharged or transferred to another component. Minimal effort was exerted to manage this resource or to persuade members to remain in the IRR. Gains to the IRR were solely a result of active component and selected reserve losses and IRR losses were primarily a result of the passage of time correlated to the individual's military service obligation.

1/ Each person who enlists in the military incurs a six-year military service obligation (MSO). In many cases for the active force, only part of this is service on active duty and the remainder is spent in the IRR.

As shown in Figure 6-1, the size of the IRR has declined dramatically since the beginning of the AVF, making IRR strength levels a major concern for the first time since the early 1960s. The figure shows that like the selected reserve, the major IRR problem is in Army enlisted force. 2/ In fact, while the total size of the enlisted IRR has decreased from about 1.5 million in FY 1971 to less than 0.3 million in FY 1977, the Army enlisted IRR has dropped from 921,000 in 1971 to about 115,000 in FY 1977.

Figure 6-1

STRENGTH TRENDS IN THE INDIVIDUAL READY RESERVE



Past management actions to preserve the strength in the active and selected reserve forces have seriously reduced the amount of time personnel spend in the IRR and have depleted the sources of trained manpower available for the IRR. These actions included: (1) increasing the minimum active duty enlistment from two to three years, (2) enlisting people in the delayed entry pool for up to one year prior to commencement of active duty and (3) increasing the number of prior service accessions admitted to the selected reserve. In addition, the high attrition rates under the AVF, together with the policy of releasing people who fail to make the grade in the active and selected reserve forces from their military obligation have decreased the size of the IRR.

2/ Detailed numbers broken out by officer, enlisted, and total are provided for each year and component in Appendix A.

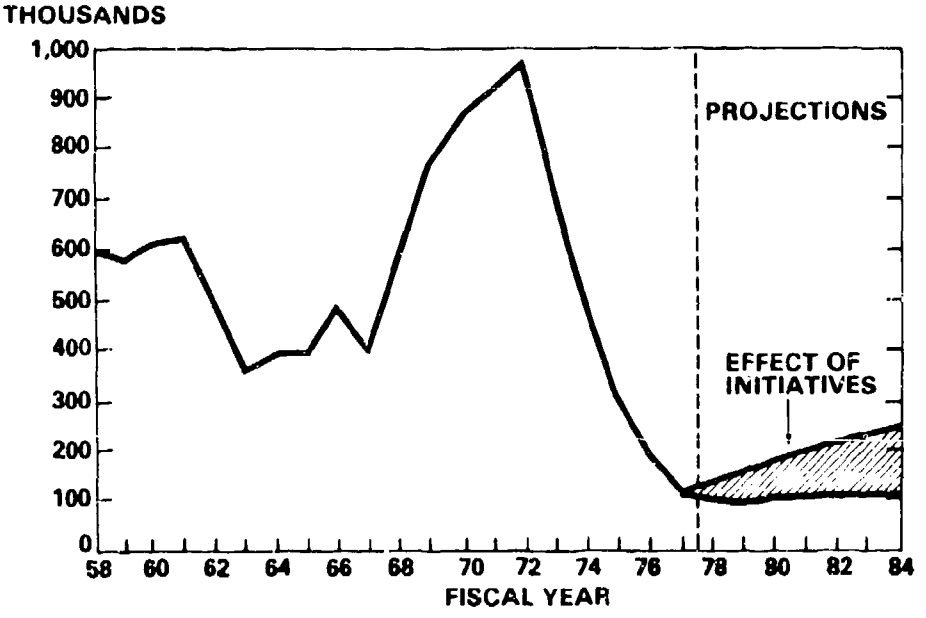
Another major factor in reducing the size of the IRR is the active force decreases which occurred after the Vietnam war. Reductions in the size of the active force decrease the number of people separating and available for the IRR. Thus, the primary cause of the IRR decline is not AVF related at all but is due to peacetime policies following the Vietnam war. And, as shown in Figure 6-1, the same kind of decline occurred after the Korean conflict even with a peacetime draft.

Army Enlisted IRR Strength Initiatives

In light of the decrease in the size of the IRR and policy decisions to plan for an intense conventional conflict with a shorter warning period, the Army 3/ has taken several initiatives which will double its enlisted IRR force by 1984 (Figure 6-2). 4/ These initiatives include: terminating the automatic transfer from the IRR to the standby reserve after completion of the first five years of service obligation; screening active and selected reserve losses for entry into the IRR; and reenlisting or continuing people in the IRR after their initial obligation has been satisfied.

Figure 6-2

ACTUAL AND PROJECTED ARMY IRR ENLISTED END STRENGTHS



3/ The remainder of this chapter is geared toward the Army since by far, it has the greatest requirement of pretrained individuals and the largest shortages.

4/ Specific increases by fiscal year for each initiative are provided in Appendix A.

Stopping Automatic Transfer between IRR Standby Reserve

Title 10, USC 269 (e) provides that "except in time of war or of national emergency declared by Congress, a Reserve who is not on active duty...shall upon his request be transferred to the Standby Reserve for the rest of his term of service...if--(1) he served on active duty...in the armed forces for an aggregate of at least five years." Until recently the Army interpretation of this statute was that everyone in the ready reserve should be transferred to the standby reserve upon completion of five of their six year military service obligation (MSO). This "automatic transfer" to the standby reserve was discontinued in April 1978, a decision that eventually will increase the size of the enlisted IRR by about 50,000. The effect of this policy change is to make more personnel available earlier in a war. That is, while individuals in both the IRR and the standby reserves are part of the pretrained individual pool, members of the IRR become available by M+30 while those in the standby reserve generally are not available until the M+60 to M+90 time frame.

Screening Losses for IRR

Almost 90,000 active duty personnel are released each year before completing their normal term of service. The reasons for a large part of these losses such as hardship, dependency, marriage, and pregnancy discharges are either temporary in nature or would be immaterial in wartime. Similarly, the expeditious discharge program releases some 16,000 people, many of whom would be valuable assets in a major mobilization. The Army is developing a program to screen all losses who leave the service prior to completing their military service obligation (MSO) for membership in the IRR. The program will insure that everyone who shows potential to meet a mobilization requirement will be transferred to the IRR for the remainder of their military service obligation and only those that show no potential will be discharged. While the Army is still developing the specific screening criteria to be used, we estimate that the program will add about 70,000 people to the IRR strength by 1984. All of these gains to the IRR will have completed basic training but about a half will not have completed initial skill training and will need some additional training upon mobilization.

Reenlistments in IRR

The Army is improving the IRR management system and is projecting a modest increase (about 8,000 in steady state) in continuations or reenlistments in the IRR. This initiative is geared toward those enlisted personnel who have completed their military service obligation but want to remain in the IRR. The Army is studying the training and management ramifications of this initiative and the program will be expanded if it is cost effective.

Other Options for Increasing Pretrained Strength

Even with the IRR initiatives just mentioned, DoD could still be faced with pretrained individual shortages under current wartime planning scenarios. Thus, additional initiatives are needed to increase the size of the pretrained individuals pool. Several of the alternatives are being considered within DoD. These include: (1) additional initiatives to increase the size of the IRR, such as changing the military service obligation and recruiting people directly into the IRR; and (2) using other sources of pretrained manpower such as recent retirees and veterans who have satisfied their military obligation. These initiatives together with those already taken should provide DoD with the management flexibility needed to insure an adequate supply of pretrained assets.

Change in Military Service Obligation (MSO)

Currently each person who enlists in the military incurs a six year military service obligation. In most cases part of this obligation is spent in the active or selected reserve forces and the remainder is spent in the IRR. Increasing the military obligation would increase the size of the IRR. DoD is currently studying several changes to the MSO. Among the options suggested are:

- o Extend the MSO from the current six years to eight or nine years.
- o Require all personnel leaving active duty to serve a minimum of 3 years in the IRR regardless of the length of their active service.
- o Require all personnel to serve in the IRR until a given age (e.g., 32nd birthday).
- o Stop counting time in the Delayed Entry Program toward fulfillment of the initial 6 years MSO.

The following questions must be answered for each of these alternatives:

(1) What would be the effects on recruiting and retention of the alternative?

(2) Would the initiative provide the type of trained manpower needed?

(3) Would the individuals under this alternative need refresher training?

(4) How long would it take for the alternative to increase the pretrained pool?

(5) What increase in the pool would result?

Direct Recruitment into the IRR

DoD is planning in FY 1979 to test a program in which non-prior service accessions would be recruited directly into the IRR. This program, geared to the Army components, is still in the design phases. Major questions to be resolved by this effort include:

(1) Would people be attracted to this program?

(2) Will this program compete for people who would have enlisted in the active or selected reserve force?

(3) How much would this program cost?

(4) Would program participants require refresher training during their enlistment in the IRR?

(5) How much training would participants need since they would not have the experience base of current IRR members?

IRR Stipend

This alternative for increasing the size of the IRR would offer recently discharged veterans a stipend for remaining in the IRR. DoD is considering a small test to indicate how attractive this alternative would be to the pretrained personnel in the most needed skills.

Use of Military Retirees

Military retirees are a very real mobilization asset. The following table extracted from a recent Linton study 5/ shows that there are some 250,000 regular enlisted retirees who would be available in a major mobilization situation. These people could in the time of war fill a portion of military support billets, making more youthful military personnel in the CONUS base available for deployment.

5/ Summary is reprinted in Appendix H.

Table 6-1

Regular Enlisted Retirees Available for Mobilization*
(In FY 1978)

	Strength (000)	Average Age	Years of Service	Years On Retired Roles
Army	56	45	21	4
Navy	58	43	20	3
Marines Corps	12	43	21	3
Air Force	117	44	21	4
DoD	244	44	21	4

*Based on FY 1969-1978 retirees who have not reached their 30th service aniversary. The availability formula assumed was 90% of the retirees would be available in the retirement year and this availability would decrease by five percentage points for each retirement year.

Another factor that makes retirees attractive as mobilization assets is the ease with which retirees can be recalled under current laws. In fact, retired regulars of the Army and Air Force can be recalled by the President at any time without any legal restriction. Retired regulars in the Navy and Marine Corps are slightly less available but can be called up without their consent for two years in a national emergency declared by the President.

Use of Veterans

One short term solution to pretrained individual shortages would be to recall veterans who recently left the military service but who have no residual military service obligation. A Linton study 6/ estimated that some 1.2 million people (Table 6-2) left the service between FY 1971 and FY 1976 after completing their term of service who could be valuable mobilization assets. These veterans had no military obligation in FY 1977. Futhermore, about 150,000 of the Army veterans are trained combat soldiers and could serve as combat replacements which is the prime requirement for pretrained individuals early in a major war.

6/ Report to ASD(MRA&L), subject: "Mobilization Requirement Assets and Shortfalls," dated December 1977.

Table 6-2

Summary of FY 1977 Enlisted Veteran Pool

	Strength (000)	Average Age
Army	585	27
Navy	288	27
Marine Corps	122	26
Air Force	188	27
DoD	1,184	27

Existing law does not provide for recalling veterans to active service. And the Linton study notes: "It appears unlikely that Congress would enact such a law in peacetime which permits the recall of veterans. Congressional action probably would require a clear and present danger. If this assumption is correct, then DoD should be prepared to act quickly once Congressional approval is granted. It appears reasonable for DoD to prepare detailed plans in advance so that if and when Congressional approval is granted, DoD can locate, recall, and, if necessary, provide essential training prior to deployment."

The DoD position on this issue is that the President must have the authority to recall veterans to active duty in case of a major conflict. This position is based on the fact that veterans are a major source of trained manpower available to meet mobilization shortfalls during the next few years or until the initiatives taken can provide adequate numbers of pretrained individuals. DoD is preparing a legislative package which would allow the recall of veterans if needed in a major mobilization. DoD is still studying the question of whether this legislative package should be forwarded to Congress now or if it should be made part of the proposed emergency legislation that would be sent to Congress in the event of a major mobilization.

CHAPTER 7 - UNTRAINED MANPOWER

Requirement for Untrained Manpower

The final category of mobilization manpower resources is the untrained manpower--those individuals who have no military training on mobilization day, but who are subsequently trained to meet a military requirement. Since law requires a minimum of 12 weeks training before a military member is sent to combat, the untrained manpower pool will not make much contribution during the first three to four months of a war. Those who will blunt the initial thrust of a surprise attack must already be trained when the war breaks out and are discussed in previous chapters.

Weapons, munitions, and pretrained personnel for the first months of a major conflict must be ready before mobilization to be effective. Current planning attempts to balance these items so that all of the personnel have weapons and ammunition for the expected duration of the initial engagement. The national industrial base and untrained manpower provide the staying power needed after the initial confrontation.

Delivery Time

The speed with which these staying power resources can be brought to the battlefield depends on the ability of the nation to convert from a peacetime to a wartime production system for the industrial base and the ability to call to duty and train personnel.

Since minimum training has been set at 12 weeks, the time between mobilization announcement and commencement of training is the primary variable in determining how long it takes these new personnel to begin reaching the theater. Some of the new personnel could be in theater in as little as three months, if they could be put in training on mobilization day. During the draft years, youth were preregistered and preclassified; and the system was in place to make draft calls even before formal mobilization.

In 1976, when the AVF was well established, the Selective Service System was put in "deep standby" status. Its budget was reduced from $100 million in FY 1972 to $7 million in FY 1977 and its manpower was reduced from 8,000 to 100 employees over the same period. All of the over 3000 local draft boards were dissolved by FY 1977.

In FY 1977, the Selective Service System reported that 110 days would be needed in FY 1978 before the first inductee could be called to active duty and 150 days would elapse before the first 100,000 could be put into the training process. Almost seven months would be needed before the first draftee would reach the theater. These Selective Service numbers became the focus of the subsequent internal government

debate on the "standby draft" requirements. A number of solutions were considered. Increasing the number of pretrained individuals was a solution and the numbers of active duty, selected reserve, or IRR personnel could have been increased. But, the easiest and cheapest way to meet wartime requirements is to draft and train people when they are needed. It seemed preferable to meet the staying power personnel requirement with untrained manpower, if possible.

Sources of Untrained Manpower

There are sources of untrained manpower in addition to draftees. Obviously, volunteers are one possibility. About 40,000 men and women enter active duty each month during peacetime. About 20,000 true volunteers enlisted monthly during Vietnam and a much higher number than that may be expected to enlist in support of a popular cause. However, the use of volunteers is complicated by current plans that call for termination of recruiting efforts on mobilization in order to use the recruiting personnel as pretrained replacements. Some balance could be made in these conflicting requirements.

Even more important, there already is a pool of untrained personnel who have volunteered and are in holding in the Delayed Entry Program (DEP). 1/ These DEP personnel could be called to active duty as needed. Average DEP strengths in 1978 are shown in Table 7-1. For planning purposes, DoD could expect from between 50,000 and 100,000 DEP personnel of which about 30% to 40% would be in the Army.

Table 7-1

FY 1978 Average DEP NPS Strength (000)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Army	26	27	33	35	37	40	42	42	34	29	24	18
Navy	15	16	18	18	20	23	24	25	22	18	16	14
USMC	9	10	11	12	13	15	16	16	14	12	11	10
USAF	17	17	17	17	19	22	19	19	16	14	15	14
DOD	67	70	79	82	89	98	100	102	86	73	66	56

Under current practices, the DEP personnel could be called to active duty in the Services in which they enlisted; but in case of a severe shortfall, after declaring a national emergency, the President could reassign them to meet Army requirements.

1/ See Appendix F for more information on the Delayed Entry Program.

The DEP alone could meet the maximum training requirement for the initial 30 days, while the Selective Service System was being set up, youth registered and enough flow established to meet the Services' full training capacity with draftees. However, many youth in the DEP are still in high school and under SSS regulations would not be subject to induction before completion of school. A similar policy might be applied by the Services in calling DEP personnel to active duty on an accelerated schedule and would limit the usefulness of the DEP for emergency manpower.

For any major sustained conflict, the most reliable source of military manpower will be draftees. When the entire nation is being mobilized, there is a need to allocate manpower both to the civil sector and to the Armed Forces. The Military Selective Service Act 2/ that now provides the basis for those allocations is discussed in the next section.

Major Provisions of the Military Selective Service Act

Under the Military Selective Service Act (MSSA) the SSS is required to perform six major functions: Registration, Selection, Classification, Induction Notification, Examination, and Assignment. The Congressional Budget Office (CBO) summarized these functions and current SSS procedures for performing them if mobilization is ordered as follows:

- Registration. This is the process of gathering pertinent information on potential inductees. Selective Service currently plans a mass registration of all 18 to 21-year-old males, using the states' election apparatus. While there have been a few instances of massive single-day registrations, such as in World War I and in 1940, the registration function has generally been conducted on a continuous basis throughout the country, at various sites manned by both paid and volunteer registrars.

- Selection. The current plan is to select registrants for induction from a single year-of-birth group in numerical sequence by randomly assigning a number from 1 to 366 to each birth date. When each sequence number is called, all those with the birth date corresponding to that number will receive induction notices. Actual induction, however, will depend on the results of the classification and examination procedures. While this function was performed manually in the past, Selective Service now intends to use a central computer to process the registration data, assign random sequence numbers, and issue registration cards.

2/ Public Law 90-40, as amended.

- o Classification. This function has in the past been the primary responsibility of 3,000 to 4,000 local boards representing every county in the nation. Selective Service interprets the Military Selective Service Act to authorize up to 18 classifications. Of these, thirteen are purely administrative in nature and do not require decisions at the local level. The remaining five classifications deal with conscientious objectors, clergymen, and hardship cases which are judgmental in nature and require local board decisions. Amendments to the act have eliminated occupational and educational deferments (but not temporary administrative postponements), thereby removing a substantial degree of autonomy from the local boards.

- o Induction Notification. Once an individual has completed the four steps described above and exhausted his appeal rights, he may be inducted into the Armed Forces. In the past, induction notification was carried out by the local boards. Selective Service now plans to centralize the operation at its national headquarters, relying upon computer support to prepare the induction notices. According to Selective Service, this may require an amendment to the Military Selective Service Act before inductions can be resumed.

- o Examination. Prior to World War II, physical examinations were performed by Selective Service physicians. This function is now carried out by DoD at 66 Armed Forces Entrance Examining Stations (AFEES). Should it become necessary to reinstate inductions, DoD would continue to conduct the examinations, although Selective Service would assign a portion of its reserve officer cadre force to AFEES to act in a liaison role.

- o Assignment. Once inducted, an individual can be assigned to any of the four military Services. This function is typically performed by DoD personnel at the AFEES, based upon Service needs and capacity of the training facilities. The director of the Selective Service is charged, however, with the responsibility of assigning alternate civilian work to those classified as conscientious objectors.

How rapidly and how effectively these procedures can be reactivated in time of emergency determines the SSS ability to provide untrained manpower to the Armed Forces and is the key to DoD's capability to sustain a conflict after the active and reserve personnel have been committed.

Selective Service Delivery Schedule

Four estimates have been made recently assessing SSS capability to meet DoD mobilization manpower requirements. These are summarized in Table 7-2. While all of them indicate that SSS in "deep standby" is not able to meet the DoD mobilization manpower requirements, there are major

differences in the delay expected before the first inductee reports. The SSS estimates 110 days, the Office of Management and Budget (OMB) study estimated 58 days, and the Congressional Budget Office (CBO) study estimated a range of between 65 and 95 days would be required after the mobilization order for SSS to deliver the first inductee. Table 7-2 shows similar differences in the time required to deliver the first 100,000 inductees, but there is more convergence in the estimates of induction capacity.

The primary cause of these differences is the estimated time required to reestablish a SSS structure and complete registration. The SSS estimates 90 days for completion of registration. SSS plans call for a restructuring of their organization structure and do not begin registration until about 60 days after mobilization.

The OMB study assumed that only 15 days would be needed for registration. The CBO study estimated 30 to 60 days for registration. All of these estimates assume a one-time face-to-face registration.

Table 7-2

Selective Service Delivery Schedule
(days after mobilization is ordered)

	First Induction	First 100,000 Inductions	Induction Capacity Inductees (000)	Induction Capacity Days
Capability				
SSS*	M+110	M+150	480	M+230
PRP**	M+58	M+78	650	M+250
CBO***				
Optimistic	M+65	M+90	650	M+250
Pessimistic	M+95	M+120	650	M+280
DoD Requirement				
1974	M+30	M+90	390	M+180
1976	M+110	M+150	480	M+230
1978	M+30	M+60	650	M+180

* SSS budget estimates FY 1978
** OMB, President's Reorganization Project
*** CBO, Selective Service System Study

The DoD requirement for mobilization manpower is based on three factors: (1) the warning time before hostilities begin, (2) the intensity of the conflict including levels of effort and casualty rates, and (3) the assumptions concerning the length of the conflicts. The decision to move SSS to "deep standby," was compatible with a scenario in which there would be considerable warning time, be a gradual buildup of hostilities, be peak casualty rates similar to the Battle of the Bulge in World War II, and which would use only conventional weapons and last no more than 180 days.

The new DoD scenario assumes brief warning time, followed by an intense conflict similar to the Yom Kippur Arab-Israeli War and a capability to sustain conventional conflict well beyond 180 days.

The time allowed on Table 7-2 before induction starts is largely controlled by the warning time. The time allowed for the first 100,000 is a function of warning time and the intensity of the conflict in the early weeks of the war. The total induction capacity has both a size and a time dimension. The size is a function of sustained intensity and the time is largely a function of the length of the conflict.

DoD's current requirements reflect the number of personnel who must report to the training centers during the periods indicated to keep the training centers at their planned capacity throughout a 180-day mobilization period. Requirements were previously defined as the trained manpower deficit (unit fillers plus attrition losses). Essentially, this old scenario left the training centers empty at the end of the 180-day period since additional trained manpower was no longer necessary. The current definition increases the military's ability to sustain its war fighting capability beyound 180-days.

Given the new DoD requirements, the SSS capability by all estimates is inadequate. Both the OMB and CBO studies have narrowed the SSS problems to three areas: (1) inadequate computer support, (2) size and time required to reconstitute field structure, and (3) time delays associated with not having peacetime registration.

The computer problems are serious, are recognized by SSS, and are being addressed in the current budgeting process.

There is not unanimous agreement on either the size of the field structure needed or the requirement to reconstitute the structure before inductions begin. SSS plans for much larger structure than the CBO study suggests is necessary and intends to have most of the local board structure reconstituted before inductions begin. Since the primary purpose of the local boards under the new induction concept is to resolve appeals for exemptions, those not appealing could be inducted while the boards were being reconstituted and hearing appeals. The unresolved issue is what must be done in peacetime to ensure that there are lists of names and addresses for SSS processing soon after mobilization.

A recent General Accounting Office (GAO) audit concluded, "The key to a shorter delivery time lies in having an existing list of eligibles to be drafted in case of mobilization." 3/ The SSS prefers traditional face-to-face registration in peacetime including classification. Under present conditions they plan to use the election machinery as previously discussed. The CBO study suggests that a much more expeditious and reliable procedure would use existing computerized data files. 4/ For example, merging the Internal Revenue Service and the Social Security System's automated files is estimated by CBO to produce lists covering 85% of the youth including birth dates and current addresses. While there would be some errors in addresses and some problems getting the other 15% included, this alternative merits serious consideration. Other Federal Agencies, State driver licenses, and other possible sources of reliable names, ages, and addresses also could be considered. This CBO approach could be used in either peacetime or upon mobilization.

Peacetime data base registration without classification could be accomplished in peacetime for about $2 million per year above current SSS expeditures without reconstituting the field structure and could greatly reduce the delivery time estimates shown in Table 7-2. The study group estimates that with such a data base SSS could revise its procedures and meet the DoD requirements for untrained manpower.

Prospects for Untrained Manpower

When the total untrained manpower resources are considered, the current delays in the Selective Service System delivery capacity appear less serious; but, for limited additional resources and considerable prior planning, the SSS can become much more effective. If deterrence fails, and a major conventional conflict continues beyond the initial engagements, the ability to rapidly mobilize, train, and arm these previously untrained personnel may be the difference between victory and defeat or between staying conventional or being forced to shift to the awful specter of international nuclear war.

As currently programmed, the SSS is inadequate and cannot meet the DoD manpower delivery requirement. A series of alternative courses of action to improve SSS capability are provided in Chapter 8. These alternatives range from systemic improvements such as those proposed by CBO (or peacetime face-to-face registration of young men as preferred by GAO and SSS) to complete preinduction processing of all young men and women in the nation.

There is a separate category of older personnel needed upon mobilization, but who are not covered by the current draft law nor the alternatives discussed in Chapter 8. These are people with special

3/ GAO, What Are the Capabilities of the Selective Service.

4/ The CBO summary of their study is included in Appendix L.

skills such as aviation and maritime crews, veterans with unique skills in short supply, and especially medical personnel.

Medical Assets

While everyone would agree that the American medical community is well trained to provide the most advanced medical care in the world, the civilian medical community may be considered to be an additional mobilization asset, similar to untrained manpower. In past conflicts, doctors have been drafted and civilian hospitals have been used to treat military and civilian war casualties.

With the prospects of Yom Kippur type casualty rates discussed previously, there may be a serious shortage of military doctors in the early phases of a massive war in Europe. There is general acceptance that in time of war doctors once again will be called into service to save the lives of many American casualties. But there is no existing law to be activated for drafting doctors older than age 26 years. The transition of drafted physicians from the civil sector to the military takes time. The drafted doctors could be in this transition during the period of the maximum need, the first weeks of the conflict. With the advent of massive airlift capabilities, there is a potential to employ the extensive civilian medical facilities in the United States to provide the life saving care in the most timely fashion. Military facilities in Europe could be used to stabilize patents for air evacuation - rather than concentrating on treatment and return to duty in theater.

This complex issue requires more study and the effects on manpower levels in theater must be weighed. Military leaders have experienced concern that personnel with relatively minor wounds who would be evacuated to the United States would not be returned to theater in a timely fashion. These combat veterans represent a great military manpower asset.

All of these factors will have to be weighed in reaching a final decision -- here it is sufficient to observe that the civilian health care system has tremendous capacity which combined with modern air transportation may be more effectively used as civilian backup to the military medical system than as a pool of physicians to be drafted into military service.

To use these facilities most effectively requires proper detailed prior planning. This prior planning is not being done today. Without essential prior planning, the capacity of the civilian health care system cannot be effectively used in the first weeks of a major conflict. The failure to prepare for high casualty rates and conduct the essential prior planning could result in higher than necessary death rates among the men and women who will absorb the initial thrust of the enemy's attack.

While this civil sector concept has considerable appeal, it still demands more trauma specialists and surgeons in theater to stabilize patients than may be available from the active and reserve forces. The military medical community may need to be augmented by health professionals without prior military training. "Standby draft" legislation is needed to provide for this essential part of the mobilization process.

Proposed Changes in the Military Selective Service Act 5/

The Department of Defense recommends four changes in MSSA.

1. Standby procedures should be legislated to facilitate the drafting of health professionals as discussed above. While this could be expanded to other groups of older individuals with important skills, the most pressing need is for health professionals.

2. Legislation is needed to eliminate the requirement that SSS screen standby reservists before they can be recalled in an emergency. SSS now has no system with which to make these determinations. DoD can perform this function for the standby reserve as it will for the IRR.

3. As a matter of equity, the MSSA should preclude a local board member from making a determination on himself or a member of his immediate family.

4. Obsolete portions of MSSA should be stricken.

5/ At Appendix J is a more detailed discussion of DoD's proposed changes to MSSA.

CONCLUSION OF PART II

On balance, the mobilization resources under the AVF look satisfactory. In military capability one is never as strong as one would like, but the AVF is much better than many critics imply. Four specific problem areas have been identified:

(1) Undermanned Army selected reserve units;

(2) Shortages of pretrained individuals for the Army;

(3) Shortages of medical doctors to treat combat casualties; and

(4) An inadequate standby selective service system.

All of these areas are being studied and specific corrective action is being developed.

Part III Alternatives and Conclusions

The two preceding portions of this study have addressed the success of the AVF through FY 1977 and the future prospects through FY 1990 of the active forces and the mobilization assets. Part III provides a context within which to evaluate alternative courses of action that are open. In Chapter 8 the potential reasons that could lead to a return to conscription are examined and a full range of alternative courses of action are evaluated. In Chapter 9 the cost of the AVF is analyzed and compared with the projections made by the Gates Commission in 1970. The savings associated with a return to conscription are also evaluated. Finally, in Chapter 10, the study is summarized and conclusions are presented.

CHAPTER 8 - ALTERNATIVES TO THE AVF

Introduction

The concept of the volunteer force is fundamental to the American ideal of a peacetime military. A small standing army has been the American way except in times of national emergency. However, there is nothing small about the current armed force. Maintaining an armed force of three million people (approximately two million active and a million reserves) on a voluntary basis, year after year, is a unique challenge. As discussed in the previous chapters, the United States seems to be meeting this challenge. The question then arises, under what conditions would alternatives to the AVF be considered? Any alternative clearly should be shaped by the reason for making a change.

Reasons to Return to Draft

The debate on the AVF suggests that there are four major reasons that argue for a return to some form of compulsory service.

First, Major War

Entrance into a major sustained war is the most obvious reason to reinstate a system of compulsory service. Historically, it has been the only reason used to justify a shift from a volunteer force to conscription. The nation needs to address the mechanisms and procedures to return to a draft in an emergency mobilization, before it is needed. The "Deep Standby Draft", as operating in FY 1977, may not meet that need. However, an improved standby Selective Service System should be able to meet the wartime mobilization manpower requirements in a timely fashion.

Second, Manpower Shortfalls

If the nation is unable to meet peacetime military manpower requirements, some method of augmenting the force will be needed. This was the circumstance during the 1950s and early 1960s when there simply were not enough young men to man the force with volunteers. Should this circumstance occur again, it could be met by activating a form of peacetime conscription similar to the wartime circumstance discussed above. The 25% decline in youth population projected over the next 15 years adds credence to this possibility. While the evidence in this study suggests that peacetime manpower requirements will be met by an improved AVF, there are responsible leaders who have expressed genuine concern that manpower shortfalls may become a very serious problem for the military in the next few years.

Third, National Youth Programs

If the nation decides that the national interest requires a massive nationwide youth training and work program, then military service would need to be part of that program. Any such youth program would affect

the youth market and thus, military recruiting. A move to at least some of the national youth programs being discussed could result in a return to conscription.

Fourth, Cost-Savings

Finally, many leaders and analysts have suggested that the draft is more economical than the AVF. The proponents of compulsory peacetime service imply that a return to active force conscription or a move to national compulsory military service of some sort would save large sums of money which the nation could devote to other pressing national needs, including other national security requirements and domestic programs. They point to the rising cost of military manpower over the last ten years to support their claim. While manpower costs have risen from 46% of the Defense budget in FY 1968 to around 60% in the AVF years (FYs 1973-1977), only a fraction of the increase would be reversed (as discussed in Chapter 9) by returning to conscription.

These four reasons for possibly returning to conscription suggest three general approaches to meeting military manpower accession requirements, both in peacetime and in the event of a national emergency.

Approaches

I. Improve the "Standby Draft"

In order to assure the manpower needed for a sustained, large scale, conventional war in Europe, improvements to the current "Deep Standby Draft" status of SSS are essential. Some actions are underway to improve the SSS, as discussed in Chapter 7. This approach, is consistent with retention of the peacetime AVF. Under this approach the AVF would be abandoned only in time of mobilization and then only by Congressional action. Within this approach are included alternatives ranging from simple systemic improvements in SSS to reinstatement of registration, testing, examination and classification. But peacetime draft calls are excluded from this approach. Six alternatives are developed based on this approach and are discussed in more detail in the "Alternatives" section of this chapter. Variations of this approach meet wartime manpower requirements and thus satisfy the first of the four reasons to possibly return to a draft as discussed above.

II. Return to a Peacetime Draft

Clearly there are options that would reinstate selective service callup procedures now, before the crisis, to require registration and classification, and to make at least minimal draft calls regularly. If the AVF conditions continue, very few people would be called--perhaps only a few for certain specialities, such as combat arms and medical doctors. If an emergency mobilization should occur, the draft mechanism already would be in operation. A functioning SSS is the most

effective form of "standby draft," but peacetime conscription may no longer be socially or politically acceptable. Under this approach, if the AVF strengths began to lag, gradual increases in draft calls could be used, thus alleviating the shortfall concerns discussed above.

In the "Alternatives" section, three options for peacetime conscription are developed using this approach: an IRR draft, a selected reserve draft, and an active force draft. While all of these alternatives are possible--after all, the active force draft was a national institution for over thirty years--there are social costs to be considered in returning to peacetime conscription. Some young people could be pressed into service against their will, while others who may want to enlist could be excluded. This would be unfair to both groups.

A return to a peacetime active force draft is the only alternative found that has relatively large savings, if the cost of the AVF is a primary concern. It would save approximately a quarter of a billion dollars per year, as shown in the "Alternatives" section, but could also lead to anti-draft activities. A rekindling of antimilitary sentiments and open resistance to the peacetime draft could reopen old wounds, decrease national unity, and be counterproductive to the overall national security.

All the alternatives under this approach would meet reasons 1 and 2 above. All could meet both wartime manpower requirements and possible peacetime manpower shortfalls. An active force draft would save money.

III. Move to National Service

Several national service concepts are receiving Congressional attention, and thus national service must be considered as a possible approach to meeting the problems identified in the AVF. All of these concepts would require some form of service from many, perhaps all, qualified youth. Defense manpower requirements can be met without national service. The national service decision should be based on the needs of the nation's youth and the other national objectives that are competing for the limited funds available. However, if the nation elects to have some form of national service for youth, military service should be part of that program.

A comprehensive review of the effects of national service programs on military manpower and civilian youth problems has been prepared by the Congressional Budget Office. 1/ The CBO summary of their study is reprinted in Appendix K with permission. That study divides national service into three general classes: small targeted national service (STNS), broadbased voluntary national service (BVNS), and

1/ CBO Report, National Service Programs and Their Effects on Military Manpower and Civilian Youth Problems, Washington, D.C.: Government Printing Office, 1978. (Summary printed in Appendix K).

broadbased--or universal--compulsory national service (BCNS). Those three divisions also are used in this analysis and each is presented as an alternative in the next section.

All three alternatives would meet wartime mobilization needs under reason 1 and national youth programs under reason 3. The "Universal Service" concept in BCNS also would satisfy the shortfall argument. The limited scope of STNS would keep it from affecting shortfalls, but the competition for limited volunteers under STNS and BVNS could seriously aggrevate any shortfalls.

Of the three general approaches--improve the standby draft, return to a peacetime draft, and move to national service--only the first can be accomplished on an incremental basis without major legislative action. These three approaches shape the fourteen alternatives developed in the next section.

Alternatives

In this section fourteen alternative courses of action for meeting military manpower accession requirements are evaluated and compared. These alternatives are intended to cover the full range of policy options from termination of the SSS to compulsory national service for nearly all youth. The alternatives are grouped by the approaches discussed in the previous section. Each alternative is built upon the previous alternatives and is discussed in terms of how it differs from other alternatives. Costs are all relative to continuing the current system. Table 8-1 summarizes the alternatives, their effects and their costs.

Table 8-1

SUMMARY OF ALTERNATIVES

Alternatives	Effects	Annual Costs ($M)
----Selective Service System Alternatives----		
1. Eliminate SSS	Eliminates an agency. Seriously reduces capability to mobilize for eventual conflict.	-7
2. Continue Today's System	Does not meet DoD's wartime plans, but does provide mobilization capability for long war.	0
3. Improve Standby SSS (Without Registration)	Reduces processing time to better meet DoD requirements.	+2
4. Reinstate Peacetime Registration	Assures registered pool will be met but may have draft resistance. Reduces lead time to 15 days for draft call up.	+10
5. Institute Universal Aptitude Testing + Alt 4	Provides test to all youth; may help recruiting effort; may be resisted by large section of society.	+22
6. Reinstate SSS Classification + Alt 5	Provides capability to draft youth on or before mobilization day!	+30
7. Give physical examination to 300,000 Youth + Alt 6	Greatly increases cost; increases potential for resistance.	+60
8. Provide Universal Physical, Aptitude Testing & SSS Classification	Provides full evaluation of all youth; goes far beyond any previous SSS program; may strain U.S. civilian medical community.	+470

(Table Continued)

Table 8-1 (continued)

SUMMARY OF ALTERNATIVES

	Alternatives	Effects	Annual Costs ($M)
	----Reintroduction of Conscription----		
9.	Institute IRR draft for 100,000 per year + Alt 7	Would rebuild IRR to 1960 levels; could rekindle anti-draft movement.	+510
10.	Institute Selected Reserve Draft of 100,000 per year + Alt 7	Fill all reserve units; very difficult to administer because of local nature of reserve programs. Communities may seek reduction in size or complete removal of reserve and national guard units.	+275
11.	Return to Active Force Draft of 100,000 per year + Alt 8	Would reduce quality of Army and stimulate anti-draft sentiment. Saves money.	-250
	----National Service Programs----		
12.	Move to Small Targeted National Service	Consolidate youth programs; improve opportunities of deprived youth; not much effect on DoD.	+2,200
13.	Move to Broad Based Voluntary National Service	Explain alternatives to all youth, severely handicap AVF; very expensive.	+12,000
14.	Move to Broad Based Mandatory National Service	New youth training program; ten times more people than DoD needs or can use; difficult to find meaningful work for all; most expensive.	+23,000

The alternatives on Table 8-1 are developed in more detail in the following discussion. Each alternative is described, annual costs are estimated in FY 1977 dollars and the advantages and disadvantages are discussed.

Alternative 1--Eliminate the Selective Service System (SSS)

Description

Any comprehensive set of alternatives to the current system must include elimination of the SSS. The current SSS organization could be eliminated and conditional planning for reinstating the draft could be dropped as a viable function.

Cost-evaluation

The SSS outlays for FY 1977 were $7.9 million. This included some costs associated with the wind down to "deep standby" (discussed in Chapter 7). The FY 1978 appropriations was $6.6 million. While the President's Budget for FY 1979 requested $9.5 million to increase SSS capability, the Congress appropriated $7.0 million. For purposes of this analysis, elimination of SSS is estimated to save $7 million annually.

Discussion

The management structure and prior planning for manpower mobilization are critical elements in building forces rapidly beyond those in the existing active and reserve systems. Elimination of this function would greatly refute the capability of the Armed Forces to meet a large scale sustained conventional war. The tradeoff saves $7 million per year.

Not having this capability may reduce the credibility of our deterrent posture and may force the use of tactical nuclear weapons in containing a European conflict that lasts more than a few months. This tradeoff is not considered cost-effective.

Alternative 2--Continue Current System

Description

The current AVF active and reserve recruiting program, backed up by the deep standby draft as discussed in Chapter 7, constitutes the current system. The deep standby SSS has a national headquarters and a minimum planning capability. At this level, SSS states that it can begin induction 110 days after mobilization. Since these inductees require 12 weeks of training, DoD could not begin to meet theater requirements with draftees until about 200 days after mobilization.

Cost-evaluation

As discussed in the previous alternative, the current system costs about $7 million per year and this cost will be used as a baseline for comparison. Thus, there is no relative cost change for alternative 2.

Discussion

The current AVF with the deep standby draft is far better than it would be without SSS, but does not permit SSS to meet DoD's estimated manpower mobilization requirements during the critical initial seven months of a major war in Europe and, therefore, is considered inadequate. Thus, there would not be improvements in SSS to match the initiatives expected to solve the problems in the selected reserve and IRR discussed in Chapter 5 and 6.

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Alternatives 3 through 8 represent graduated increases in SSS capability based on Approach I -- Improve "Standby Draft". All would better meet DoD mobilization requirements, but with increasing confidence and at increasing cost.

Alternative 3--Improve SSS Without Peacetime Registration

Description

The current SSS could be improved as recommended in the President's FY 1979 budget to provide better computer support, improved new standby registration procedures and a new management system. The details of these improvements are discussed in Chapter 7.

Cost-evaluation

As provided in the President's FY 1979 budget, the cost of these improvements is about $2.5 million per year, as shown in Table 8-2.

Table 8-2

ANNUAL COST TO IMPROVE SSS ($ MILLIONS)

Extra personnel	
+50 full-time civilian @23K	1.2
+164 Reserve personnel @4K	.7
Other Improvements (Regional Hq, etc.)	.6
NET	+2.5

Discussion

With these improvements, the SSS believes it can better meet DoD requirements of first draftees within 30 days of mobilization and the first 100,000 within 60 days. The Director of SSS states:

> "We recognize that valid reasons may exist which make it unwise to reinstate peacetime registration. For FY 1980, we are submitting an (increased) budget request... for $9.4 million dollars. If this budget is approved, and if the necessary computer capability can be made available to the System, we beleive that we can meet DOD wartime manpower needs. However, this would require an emergency catch-up registration using state election machinery, the change to the law to permit inductions and issuance of induction orders, and the Emergency Military Manpower Procurement System to process registrants." 2/

In addition to the approach requested by SSS, there are other ways to obtain a data bank of names and addresses in lieu of face-to-face registration for about the same cost proposed by SSS. For example, the Congressional Budget Office proposed using a merge of Social Security and Internal Revenue computer tapes to generate a base estimated to contain about 85% of the eligible youth in five days time at an annual cost of about $2 million. 3/

Alternative 4--Reinstate Mandatory Peacetime Registration

Description

Peacetime registration can be reinstated under current law. All young men would then be required to register with SSS within 30 days of their eighteenth birthday. Such registration would be similar to that conducted prior to April 1975 when existing registration authority was terminated by Executive Order. To require women or physicians to register or to make other major changes in the SSS would require revision of the current Selective Service legislation.

2/ Director of Selective Service letter dated 28 September 1978 on file in Office, Director, Manpower Program Analysis, Office of the Secretary of Defense.

3/ Congressional Budget Office, The Selective Service System: Mobilization Capabilities and Options for Improvement, Washington: GPO, 1978. Summary is available in Appendix L.

Cost-evaluation

The costs of peacetime registration are shown in Table 8-3. The net increase of $10.1 million above current expenditure levels does not include any enforcement costs.

Table 8-3

ANNUAL COST OF PEACETIME REGISTRATION ($ MILLIONS)

Alternative 3	2.5
Change in personnel	
+252 full-time staff @19K	4.8
-56 state directors @OK	.0
Increased Support	2.8
NET	+10.1*

* The CBO study estimated that this alternative could be accomplished by use of self-administered mail-in forms or through other Federal agencies rather than reinstituting the SSS field structure at a cost increase of about $4 million per year instead of the $10 million shown here (See Appendix I.).

Discussion

The primary advantage of peacetime registration is that it cuts at least fifteen days from the time required to begin training draftees after mobilization. In a high intensity war, this delay could be serious. However, it can be offset by using personnel already in the Delayed Entry Program (DEP). 4/ These volunteers can be used to provide the initial surge into the training establishment by accelerating their reporting dates upon mobilization. However, the DEP has seasonal fluctuations in size 5/ and, during certain months of the year, many DEP volunteers are still in high school. It is not clear that such youth should be called to active duty. For example, SSS procedures defer such youth from induction until completion of high school. The Director of SSS has stated:

4/ See Appendix F for further information about the DEP.

5/ See Table 7-1.

"On the questions of changes needed for an effective standby draft for either active or reserve forces, we are firmly convinced that Selective Service registration at age 18 would best serve the security interests of the nation. Of equal significance is the fact that it would considerably enhance the efficient and impartial administration of the Selective Service process. With registration at age 18, the System could promptly meet almost any conceivable demand for manpower from the Department of Defense." 6/

Enforcement is a key issue in peacetime registration. If most young men registered, then costs could be low and enforcement could be ignored, except for isolated instances of flagrant violation such as public display of resistance. Should the registration meet widespread resistance and strict enforcement be ordered, costs could be very high. The FBI is not eager to enforce SSS registration, absence without leave, or other SSS or military regulations.

Major resistance to registration could adversely effect voluntary enlistments and seriously aggravate AVF recruiting difficulties. More importantly, signs of public hostility to the U.S. military could seriously degrade the deterrent value of our forces and could invite adventurism by potential adversaries. On the other hand, if unopposed, registration could help recruiting and strengthen the U.S. military posture. This study assumed no change in active force recruiting, no recruiting savings, no enforcement costs and no effect on national posture.

Alternative 5--Initiate Testing

Description

In addition to peacetime registration, registrants could be given a standardized test to permit evaluation of mental capability and aptitude potential. This alternative assumes registration and testing of both men and women.

Cost-evaluation

The extent of the test and the processing of results can have considerable effect on costs. While some estimates of testing costs were developed in excess of $20 per person, the Educational Testing Service charges about $3 per person for the PSAT tests. The CBO study, National Service Programs, used $2 per person for the cost and administration of tests. Civil Service administers tests at a cost of $42 per session of 20, or about $2.10 per person, and are now used by AFEES. (This study assumes that test and administration would cost $3 per person.)

6/ Director of Selective Service letter (see footnote 2).

Because of the desirable spinoffs of the test and the increased role of women in today's military, it is assumed that this test would need to be administered to both men and women, or to about 4 million youth annually. While some of the additional cost of doubling the number of registrants will be absorbed in the cost of the test, operating costs for SSS are assumed to increase by $1.0 million. It is assumed that a cost of $3 per person for test and administration is achievable without travel to an AFEES by using schools, post offices, recruiting stations, etc. Thus, cost of testing is estimated at $12 million per year.

To have a list of eligibles classified by mental level and aptitude could reduce recruiting costs by about $700,000 per year now spent to collect comparable information on 18-year olds. The information would be much more reliable and complete than is obtained by current methods and would be very helpful to recruiting efforts. The information could be even more useful and the savings could be higher if 17-year olds were involved since 17-year olds are a major part of the recruiting target population. The entire SSS has been geared to 18-year olds, however, and that is assumed to continue unless new legislation is passed.

As shown on Table 8-4, the net cost is about $22 million for SSS system improvements, mandatory registration and testing of all young men and women.

Table 8-4

COST OF TESTING ($ MILLIONS)

Alternative 4	10.1
Additional processing for Women	1.0
Testing	12.0
Recruiting Adjustments	-0.7
NET	22.4

Discussion

This testing could be used for other purposes as well as SSS classification and military placement. The results of such a test could help recruiters focus their efforts on youth known to be relatively good military prospects. Since it would provide a standardized test of essentially all of the youth population, it would add a whole new base of data on national educational trends with wide applicability. The individual could use the results for personal purposes such as educational and vocational counselling and possibly for college admission. The test could become a reward for registration in its own right. Such universal testing could have benefits for other agencies who deal in youth programs such as the Department of Labor and the

Department of Health, Education and Welfare. There is some concern, however, that expanding the testing to other uses could dilute its value and applicability to the military placement function.

Alternative 6--Reinstitute SSS Classification

Description

In addition to peacetime registration and testing, SSS classification (less physical examination) could be reinstituted. The SSS lottery and individual classification and appeal system would be reactivated (as discussed in Chapter 7).

Cost-evaluation

The SSS estimates that this alternative would result in a net change in manpower of 800 additional full-time staff and 404 fewer reserve officers. Identifying 300,000 young men and women as the potential first call-up zone produce some draft motivated volunteers and thus reduce recruiting costs. For purposes of this analysis, it is assumed that 1% of the 300,000 would enlist who otherwise would not have volunteered, saving marginal recruiting costs of $1,000 for women and $2,700 for men. This results in a reduction in recruiting costs of $15.6 million. The net cost of this alternative is $30 million, as shown on Table 8-5.

Table 8-5

COST OF CLASSIFICATION OPTION ($ MILLIONS)

Alternative 5	22.4
+800 full time staff @$16K	15.2
-404 recruits @$4K	-1.6
-Recruiting Costs	-5.6
NET	+30.4

The Congressional Budget Office has proposed a different approach to registration and classification that would use about one third fewer officers and full-time staff than SSS estimates. When adjustments are made for testing and recruiting not included by CBO, the CBO cost estimates are about $10 million per year lower than DoD estimates using the SSS procedures n in Table 8-5.

This study found no serious errors in the CBO report, but could not determine the feasibility of accomplishing registration and classification with one third fewer officers and personnel than planned by SSS, so the higher estimate was used.

Discussion

The primary benefit gained from prior classification is equity. Classification probably would neither decrease the time for the first 100,000 draftees nor increase the total number eventually drafted. It would decrease the turbulence during the early periods of call-up, because many of the appeals would have been resolved prior to the emergency. The Acting Director of SSS has stated that classification "would also provide us with a fully trained corps of local and appeal board members the present lack of which is a serious deficiency in our existing standby draft organization." 7/ While it would increase SSS capability to have all of its local machinery in place and functioning, this level of SSS activity is not necessary to meet DoD manpower mobilization requirements. Besides, final classification cannot be made in advance, since it is more sensitive to the status at time of mobilization than at age 18.

Alternative 7--Provide Physical Examination to 300,000 Youth

Description

In preparation for an immediate call-up of 100,000 to 150,000 youth, physical examinations could be provided to the first 300,000 youth tentatively classified by SSS for initial call-up. Either regular AFEES or contracting with local physicians could be used for this purpose.

Cost-evaluation

A classification screening of about 400,000 registrants would yield 300,000 youth for physical examination. After examination and final classification at mobilization, that 300,000 would produce about 100,000 to 150,000 draftees. This assumes postponements for school and other purposes would occur during final classification after mobilization rather than during peacetime classifying. Physical examinations cost an average of about $135. For men the cost is about $129, and for women it is higher at about $143. 8/ These costs are more expensive than the estimates used by CBO in National Service Programs, (page 92) and Selective Service System (page 50). CBO estimated the marginal cost at $5 per man and $25 per woman in the first study and $8 per person in the second. The $5-8 cost would not even cover the cost of x-ray plates and blood and urine tests. The 300,000 physical examinations are almost a 40% increase in present workload and would about reach the expansion capacity of the AFEES. Therefore, a marginal cost of $95 per physical examination was used for this study including $35

7/ Ibid.

8/ Women in the Army Cost Analysis, March 1978, Vol II, pp. 11 and 14, and D. M. Welsh and W. A. Adams, Preliminary Survey of DoD Studies Dealing with the Cost Implications of Women in the Military, August 1978, p. 8.

for the examination and $50 for food, lodging and transportation to and from the AFEES. The average figure of $135 per person is used in later alternatives that greatly exceed current capacity of the AFEES.

The SSS would need 800 more people to process the results of the examinations and complete the classification of 300,000 potential draftees. The cost of these full-time personnel would be partially offset by the savings from 200 reservists currently assigned to SSS for mobilization who would no longer be needed for mobilization. The completion of physical examinations and classification of those first in line to be drafted is estimated to increase the potential draftees who would be motivated to enlist by about 3%. The marginal cost of women is considered to be $1,000 and the marginal cost of men at $2,700. Based on these assumptions, recruiting costs could be reduced by $8.3 million. The net cost of this alternative is estimated to be $60 million, as shown in Table 8-6.

Table 8-6

COST OF EXAMINATION AND CLASSIFICATION ($MILLONS)

Alternative 6	30.4
Physical examination 300K at $85	25.5
+800 full time staff @$19K	15.2
-200 reservists @ $4K	- .8
-Savings from recruiting	-8.3
NET	62.0

Discussion

By providing all tests, examinations and classification actions, SSS could begin calling draftees to duty immediately upon mobilization. However, giving physical examinations doubles the cost, even when the recruiting offsets are considered. This cost increase is not justified since physical examinations prior to mobilization are not needed to meet DoD mobilization requirements. In addition, the physical examination is a more effective screen if given immediately prior to induction rather than as part of peacetime classification.

Alternative 8--Universal Physical Examination and SSS Classification

Description

Give physical examinations to all youth and provide SSS classifications.

Cost-evaluation

Approximately 1 million youth would be receiving physicals under previous options --780,000 under the current AVF procedures and an additional 300,000 under Alternative 7. The remaining 3 million youth would receive physical examinations and processing at a unit cost of $135 each for a total cost of $405 million. 9/ For purposes of this study, it is assumed that SSS would concentrate classification of the first 500,000 potential draftees as in Alternative 7. No additional staff is provided for SSS in this alternative. It also is assumed that no additional reductions could be made in recruiting and advertising costs. The net effect is to add $405 million to the $62.0 million in Alternative 7 for a net cost above the present system of about $470 million.

Discussion

This alternative far exceeds any SSS examination effort since World War II and should not be considered on the basis of DoD needs. There may, however, be values to the society in providing such an examination to all the youth of the nation which would justify the cost. If, for example, there were a shift to a broad national health care program that gave physical examinations to all youth, then using the examination for SSS classification would be a valuable spinoff. However, 4 million physical examinations per year far exceeds the capacity of the current AFEES system. It would even put a strain on the civilian medical facilities in some areas. While there are some 300,000 physicians involved in patient care in the United States, only about 53,000 are in general practice. Universal youth examination would require 75 examinations per general practioner per year. This could be an excessive workload, especially in local areas that are short of medical doctors. This alternative should be considered only if sweeping nationwide physical examinations are anticipated for some purpose other than SSS classification.

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Alternatives 9, 10 and 11 all involve peacetime induction of about 100,000 youth per year, in addition to the complete registration and testing and limited examination and classification as in Alternative 7. An IRR draft, a selected reserve draft and an active force draft are each considered in turn. The costs are very different primarily because of strength increases based on assumptions about substitution of the draftees for volunteers trained under current AVF conditions. The 100,000 IRR draftees would be in addition to all present personnel. The selected reserve draftees would replace current selected reserve volunteers and build up reserve strength above current levels. The active force draft provides trainees as a direct substitute for volunteers with resulting reductions in recruiting costs and little or no change in active strength.

9/ See "Cost" under alternative 7.

Since all of those alternatives would result in voluntary service in peacetime without a clear and present danger, they are subject to resistance by some sectors of the society. The degree of that resistance is not clear. The experience of the late 1960s, with widespread civil disobedience and emigration to avoid induction, raises the spector of serious social consequences. The fact that many of the counsellors and other opinion-makers for today's youth participated in that resistance adds to the concern. However, recent polls 10/ indicated that a majority of Americans support both a return to registration and to induction, as shown on Table 8-7 and 8-8. Even the 18 to 29 year old sample support registration although they opposed induction.

Table 8-7

REGISTRATION OF ALL MILITARY AGE PEOPLE IN COUNTRY?

"General David Jones, the Chairman of the Joint Chiefs of Staff, has proposed that all young people of military age--between 18 and 28--be registered with the federal government to be available for a draft in case there were another war. Would you favor or oppose such a registration of all military age young people in the country?"

	Favor	Oppose	Not Sure
	%	%	%
Total	66	31	3
Age			
18-29	51	47	2
30-49	72	25	3
50 and over	73	22	5

10/ ABC News - Harris Survey, December 6, 1978.

Table 8-8

VOLUNTARY OR DRAFT SYSTEM OF MILITARY RECRUITMENT?

"All in all, do you favor the present voluntary system of recruiting young people for the armed services or a system where young people from 18 to 28 could be drafted for two years of service?"

	Present Voluntary System	Draft System	Not Sure
	%	%	%
Total	42	53	5
Age			
18-29	61	35	4
30-49	33	62	5
50 and over	32	59	9
Sex			
Male	37	59	4
Female	46	47	7
Political Philosphy			
Conservative	37	57	6
Middle of road	41	54	5
Liberal	55	44	1

The acceptance of peacetime induction is a major factor that must be weighed in evaluating all three of the peacetime draft options. Given the uncertainty of public acceptance, the study group recommends against peacetime induction as long as the Armed Forces peacetime manpower requirements and mobilization capability can be met without it.

Alternative 9--IRR Draft

Description

With either a limited or a universal classification system, a draft could be instituted to provide personnel for the Individual Ready Reserve (IRR). Such a program would draft youth using a lottery system, train them from 90 to 120 days as needed to complete basic and advanced

individual training and then release them to the IRR for the remainder of their six year military obligation. Some additional training may be needed to maintain skills for six years, but none is included in the assumptions for this proposal.

Cost-evaluation

For purposes of costing, it is assumed that 100,000 persons would be drafted each year for an average of 90 days training and transferred to the IRR. Since this training is above current active strength, it adds about $510 million to current costs as shown in Table 8-9. This cost analysis does not assume universal examination, but rather uses the 300,000 physical examinations similar to Alternative 7 to produce 100,000 draftees for the IRR program annually.

It is recognized that some personnel drafted for the IRR will elect to continue on active duty or join selected reserve units. This phenomenon would reduce accessions and training requirements for the active force and selected reserve, but would require additional draftees to achieve the 100,000 level. The 300,000 physical examinations will provide enough potential to more than cover these additional requirements. The savings due to lower recruiting cost resulting from IRR draftees remaining on active duty (not included on Table 8-9) could become significant if an appreciable number of IRR draftees choose to continue on active duty after training or join reserve units. 11/

The 100,000 training requirement represents a 60% increase in Army initial training levels and could require additional facilities not included in these costs.

11/ Assuming that the difference in marginal cost is $2000 per accession and that about 10% of draftees elected the option, savings would be about $200 million, reducing costs of an IRR draft to about $500 million.

Table 8-9

COSTS FOR IRR DRAFT ($ MILLIONS)

Alternative 7	62.0
DoD Cost Changes (for 100,000 IRR program)	
Basic pay (E-1 for 25K manyears)	119.2
BAQ (assuming 10% married)	4.3
Subsistance in Kind (@ $2.84 per day)	25.9
Processing (@ $200 per man)	20.0
Clothing initial issue ($424 per man)	42.4
Transportation (@ $250 per man)	25.0
Trainer personnel ($7.02 per trainee)	59.0
Training support (including BOS @ $10.38 per trainee manday)	87.2
Training expendables (ammo, etc.) ($445 per man)	44.5
Leave (average 7.5 days per man @ E-1 basic pay)	9.9
SSS Cost Charges	
Additional 445 full-time employees (@ $19K)	8.5
Reduce 200 reservists ($4K)	- .8
NET	507.1

Discussion

There are two major advantages to an IRR draft over previous alternatives:

(1) It would restore the Army IRR at least to the pre-Vietnam levels of the early 1960s (500,000) after six years.

(2) To the extent that some of the IRR draftees would continue on active duty or join a reserve unit after training or would enlist rather than be drafted, the alternative would reduce the pressure for active and selected reserve recruiting.

An IRR recruiting test will be conducted in 1979 that should shed more light on these side effects.

An IRR draft would cost half a billion dollars per year more than the current system. That is an order of magnitude more than any of the alternatives 3 through 8, all of which meet DoD mobilization manpower requirements. The initiatives discussed in Chapter 6 are a more cost-effective way to address the IRR shortfall.

The IRR draft does not provide additional personnel to any active force or selected reserve combat unit. An IRR draft would reinstate conscription (albeit for a much shorter active duty commitment than the active force draft) and could rekindle antidraft activities and social disruptions with all of the adverse effects experienced in the late 1960s. Enforcement could be difficult and perhaps expensive.

The alternative would, however, force a resolution of the issue of drafting women. Since it would require new basic legislation, the equity issues of a "male-only" draft would probably be resolved in the Congress and perhaps the Courts in peacetime without the pressures and risks associated with making such a far-reaching decision during a national emergency.

The IRR draft would increase the size of the support tail in the active forces to provide for the training and administration of the IRR. Finally, the experience level of the IRR would decline. IRR personnel with only 90-120 days of total active duty and no unit training would have significantly less military experience than today's IRR, most of whom have completed a full tour of active duty. Since their training may be almost six years old, in an emergency these IRR members could have less usable knowledge and be in poorer physical condition than the typical active force draftee or recruit who reports to duty immediately upon completion of training. There is also some question as to how rapidly most of this pool could be mobilized and deployed. However, such a draft would replenish the dwindling numbers in the IRR pool identified in Chapter 6 and could meet emergency manpower requirements while postmobilization draftees were still in mandatory training.

Alternative 10-- Selected Reserve Draft

Description

The SSS also could be used to draft people for selected reserve units that are short of volunteers. After initial training of 90 to 120 days, the individual would be required to serve in a selected reserve unit (either the unit for which he or she was drafted or in another unit under strength in that skill) for a period of three years and then serve in the IRR for the remainder of the six year military obligation, a 3 by 3 program.

While current non-prior service volunteers are required to enlist for six years in the selected reserve, that tour length was determined to be an excessive burden to place on a draftee. Selected reserve participation requires one weekend per month for drill, two weeks per year active duty training, limits flexibility in job acceptance and ties the reservist to the location of his unit. Consideration was given to a 2 by 4 program (2 years in selected reserve and 4 years in the IRR), but the 3 by 3 program better meets the need of both the selected reserve and IRR.

Cost-evaluation

This cost analysis is similar to the previous alternative, except that it assumes that 55,500 of the draftees would replace current volunteers thus, only 44,500 would be in addition to current strength and training loads. The net increase in manvears for training above current levels for this alternative would be 1 ,000 manyears instead of the 25,000 associated with the IRR draft. Reserve recruiting costs would be cut by $110 million to provide only a minimum program of $10 million for reserve recruiting. This program would then be comparable to the reserve recruiting levels in FY 1975, adjusted for inflation. As shown in Table 8-10, the net cost for a selected reserve draft is about $275 million per year.

Table 8-10

COST OF SELECTED RESERVE DRAFT ($ MILLION)

Alternative 7	62.0
DoD Cost Changes (for 44,500 new S.R. in year)	
Basic Pay (for E-1 for 11K manyears)	53.0
BAQ (Assuming 10% married)	1.9
Subsistence in Kind (@ $2.84 per day)	11.5
Processing (@ $200 per man)	8.9
Clothing initial issue (@ $424 per man)	18.9
Transportation (@ $250 per man)	11.1
Trainer personnel ($7.02 per trainee manday)	26.3
Training support (including BOS @ $1.30 per Training manday)	38.8
Training expendables (ammo, etc @ $445 per man)	19.8
Leave (average 7.5 days per man @ E-1 basic pay)	4.4
Reduce Selected Reserve Recruiting to $10 million	-110.0
Drill pay (for additional 60K reservists @ $2K)	120.0
SSS Cost Changes	
Add 445 full time employees (@ $16K)	8.5
Reduce 200 reservists (@ $2K)	- .8
NET	+274.3

Discussion

Drafting 100,000 selected reservists costs slightly over half as much as drafting 100,000 for the IRR, since 55,500 of the draftees would replace volunteers who are trained within current budgeting limits for six years and increase Army selected reserve strength by about 60,000. By drafting 100,000 reservists for three years in the selected reserve and three years in the IRR, Army Reserve and National Guard can increase to desired strength levels and return to their desired first-term/career mix. This alternative would not only check the decline in reserve strength discussed in Chapter 5, but would begin rebuilding the IRR, to add about 200,000 to the IRR after six years (about double the IRR strength projected in Chapter 6). Thus, this

alternative would help solve both the IRR and selected reserve shortages.

There are, however, serious problems with a selected reserve draft. In addition to the social problems inherent in any peacetime conscription, there are additional equity concerns with this alternative. Since the selected reserve is composed of local units, shortages would have to be met by local drafts. This almost certainly would lead to unequitable calls and could result in pressure to remove or reduce the size of units in any area with a draft. How would problems of our mobile population be handled? Would some draftees be precluded from moving? Would potential draftees be enticed to move to avoid being drafted? How would the system be enforced? The list of provocative and troublesome questions builds very rapidly and tends to discourage any real consideration of this alternative.

Alternative 11--Reinstate Active Force Draft

Description

This alternative considers a return to a SSS procedure similar to that used in the early 1970s, perhaps with some improvements to take better advantage of modern management tools. It encompasses universal registration, testing and classification with limited physical examination (300,000) and induction of about 100,000 draftees per year to meet about 25% of DoD's annual accession requirements.

Cost-evaluation

Since those being drafted would replace current volunteers, the only increase in strength would be associated with different turnover rates. This assumption eliminates much of the cost associated with an IRR or selected reserve draft. It is assumed that draftees would have two years active military service and would replace personnel now enlisting for three or more years. This change in tour length would eliminate most, if not all, of the $168 million the Army claims to have saved through reduced turnover under the AVF. However, it would permit sharp cut backs in recruiting costs, enlistment bonuses, and other AVF related costs.

For purposes of this analysis, recruiting and advertising costs under the draft were assumed to be $197.3 million, the FY 1964 level adjusted to FY 1977 dollars. This is a reduction of $375.7 million from the expected costs, but $13.9 million of that savings was included in previous options. The net reduction in recruiting and advertising cost for this alternative is $361.8 million.

When adjustments are made for phased-out AVF programs and for changes in turnover costs, returning to active force conscription is estimated to save about $250 million per year, as shown in Table 8-11. No costs have been included for enforcement of draft laws or for higher disciplinary rates such as the Services experienced before the AVF. It is assumed that a return to a draft would not result in reinstitution

of the GI Bill. To reinstate the GI Bill educational benefit would add about $1.5 billion to the Veterans Administration budget annually, swamping all other changes considered.

Table 8-11

COST OF RETURNING TO ACTIVE FORCE CONSCRIPTION ($ MILLIONS)

Alternative 7	$62.0
Turnover Costs	168.0
Enlistment Bonuses	-56.9
Reduce Recruiting and Advertising	-361.8
Phased-out AVF Programs	-58.0
NET	-246.7

Discussion

This alternative has the largest savings in DoD costs of all fourteen alternatives. Returning to the draft would probably save about a quarter of a billion dollars per year in the Department of Defense budget, or about 0.2% of that budget, but it may produce the most severe economic declarations and induce significant inefficiencies in the national economy, costing perhaps as much as $13 billion per year as discussed in Chapters 5 and 11 of the Rand Study entitled Military Manpower and the All Volunteer Force (Rand Corp. 1977). See Appendix M for an excerpt from the Rand Study.

An active force draft, requiring two years of active duty, is the most descriptive to the individual draftee of the three peacetime draft options and would be expected to generate the most opposition by antidraft groups, and the most potential resistance from youth. All of the social arguments which lead to the AVF decision in the early 1970s would again become relevant.

Also important is the change in the quality of accessions that results during a draft. When a Service is drafting, it conscripts college youth who would not voluntarily enlist, but it cannot turn away minimally qualified volunteers to draft higher qualified non-volunteers. In the draft years, there were about 5% more accessions in the highest levels (mental groups I and II) in the armed forces than under the AVF, but there were also more than three times as many in the lowest category used by the military (mental group IV), as discussed in Chapter 2.

The study group believes that the draft is a measure of last resort in our free society and should be imposed only when national security needs clearly override the presumed right to personal freedom for our citizens. The results of this study do not support a return to the draft.

National Service represents a concept never tried in the United States, although universal military training was seriously considered in the 1950s. There is a wide range of possible options, but the three developed by the Congressional Budget Office are used here. CBO cost estimates were adjusted to be consistent with other parts of this study; but CBO employment costs, running into billions of dollars, override all other cost factors for these alternatives. National Service is not a cost-effective way to man the military in peacetime, unless it is justified on the basis of other national objectives--such as elimination of youth unemployment, job training for youth, crime control or the commitment of youth to America's patriotic heritage.

Alternative 12--Move to Small Targeted National Service

Description

The Congressional Budget Office (CBO) concept of Small Targeted National Service (STNS) as discussed earlier in this chapter would regroup current programs for deprived youth and provide limited expansion of these programs. This alternative would implement that program.

Cost-evaluation

This study group believes that CBO understated SSS registration, physical examination and SSS costs in its study. The CBO study included only $6 million per year for registration "to cover operating costs and postage to return registration forms to national headquarters." In order to compare this alternative with others in this series, peacetime registration costs were increased to $10.1 million as in Alternative 4. The CBO study assumed testing for 3.5 million youths and physical examinations for 300,000 youths. The CBO study assumed physical examinations would cost $5 per man and $25 per woman. Again the OSD study used much higher costs of $129 per man and $142 per woman or $135 on average. OSD assumed testing costs were $3 per person for 4 million youth rather than $2 per person for 3.5 million youth assumed in the CBO study. The OSD study also assumed a savings in recruiting costs. In essence, the OSD assumptions to this point are the same as Alternative 7. The cost of counselling, employment and educational and training grants are added using the CBO cost estimates. As shown in Table 8-12, STNS is estimated to cost $2.2 billion per year, about the same as the CBO net estimate.

Table 8-12

COST OF SMALL TARGETED NATIONAL SERVICE ($ MILLIONS)

Alternative 7 Iregistration, testing 300K physical examinations, SSS and recruting adjustments)		$62.0
Counselling		425.0
Employment		1400.0
Education and Training Grants		325.0
	NET	+2212.0

Discussion

This STNS alternative would not adversely affect the AVF and for DoD would be about the same as Alternative 7. It would provide a considerable increase in mobilization capability, more than needed to meet the DoD requirements. However, the cost is an order of magnitude larger than Alternative 7 and would have to be justified on needs of the youth of the nation rather than national security requirements for military manpower.

Alternative 13--Move to Broadbased Voluntary National Service

Description

Broadbased Voluntary National Service (BVNS) in this analysis is assumed to be a new, major, nationwide, voluntary youth program similar to the CBO alternative discussed earlier in this chapter.

Cost-Analysi

As in Alternative 12, registration, testing, physical examinations, recruiting and SSS adjustments are based on the costing similar to other alternatives in this chapter. Alternative 7 is the basic building block. To those costs are added approximately 1.7 million more physical examinations at $135 per examination. While OSD estimates for these costs are higher than CBO used, they are overshadowed by the employment costs.

CBO estimates are used for counselling, employment and education and training costs. The net cost of BVNS, estimated at $12 billion and shown in Table 8-13, is the same as the cost devleoped by CBO.

Table 8-13

COST OF BROADBASED VOLUNTARY NATIONAL SERVICE ($ MILLIONS)

Alternative 7 (registration, etc.)	62.0
Additional 1.7 million physical exams (@ $135)	229.5
Counselling	425.0
Employment	10,000.0
Education and Training Grants	1,300.0
NET	+12,016.5

Discussion

This alternative would seriously threaten military capability. It would provide, advertise and actively recruit for a sweeping Federal youth jobs program. Those choosing these alternatives to military service would receive about the same pay as those enlisting in the military service. Because it is voluntary, it would not conscript anyone for military service. It would be impossible for the Armed Forces to meet either the quantity or quality of manpower required such competition. This is clearly the worst alternative for the Department of Defense.

Alternative 14--Broadbased Compulsory National Service

Description

As discussed previously in this chapter, broadbased compulsory national service (BCNS) is assumed to be conscription as far as the military is concerned. It is presumed that the Armed Forces would be provided 400,000 accessions for the active force, for 2 years active duty and 4 years in the IRR, and about 250,000 for the reserve forces, for 3 years selected reserve duty and 3 years in the IRR, each year, from among the youth of the nation. Some of these youth would be volunteers while others would be required to perform their compulsory national service in the military--or in other words, be drafted.

It is not clear in the CBO discussion whether the military would get their choice of people or not, but for purposes of this study, it is assumed that at least minimum military requirements would be met.

Cost-evaluation

It is assumed that all youth would be registered, tested, classified and examined the same as in Alternative 8. The CBO costs are used for counselling, employment and education and training grants. Recruiting, advertising and bonus savings associated with a return to an active force draft must be netted out. The OSD estimate of the net

cost of BCNS is about $24 billion per year, as shown on Table 8-14. Even though the registration, testing, and examining costs in this study are much higher than in the CBO study, employment costs are overriding and both studies estimate cost of BCNS at about $24 billion per year. If all youth were required to serve two years, the same as those going into the military, the costs would about double to $47 billion. One year enlistments do not provide sufficient time in units after training to meet readiness requirements.

Table 8-14

COST OF BROADBASED COMPULSORY NATIONAL SERVICE ($ MILLIONS)

Alternative 8	467.0
Counselling	425.0
Employment	23,000.0
Education and Training Grants	0.0
Reduction in Recruiting, etc.	-476.7
NET	+23,415.3

Discussion

This alternative provides personnel far in excess of military manpower requirements. In fact, the military could not accept much more than 20% of the youth without either greatly expanding DoD expenditures for weapons, equipment, training and all other major cost categories or seriously eroding the fighting capability of the forces. Even with additional resources, there is the real danger that such an influx of junior personnel would degrade military readiness. Today's training base is designed to handle between 300,000 and 600,000 youth per year. A ten fold increase would require large increases in training personnel and equipment which would either have to be added to current levels or taken from combat units. In addition to causing glut problems for DoD, it may not solve the youth unemployment problems in the civil sector.

The CBO study concluded that "the need to place upwards of 3 million youth in jobs could create competition in other labor markets and drive up unemployment rates for older workers." Since BCNS is only a one year program for most youth, many of those additional unemployed probably would be the "graduates" of the several preceding classes. Mandatory service followed by hard core unemployment may be worse than current youth unemployment problems.

On its face, BCNS does not appear to be desirable, but most of the key variables (such as cost and return from that cost) fall outside of the purview of the Department of Defense. For DoD, BCNS would work much as SSS worked through the 1950s and 1960s. DoD active and reserve manpower needs would be met and a good mobilization base would be established.

DoD would be concerned only if it were denied the needed quality of accessions or if required to employ many more youth than are usable, given the current size of career force, weapons stock and support capability.

Should BCNS be deemed appropriate for the nation, DoD manpower requirements would need to be included in the planning, but the decision should be based on the needs of the youth of the nation as weighed against programs competing for the same resources, not on DoD manpower requirements. While this program would reduce the DoD budget, an increase in Federal spending would drive up the federal budget by about 5%.

Summary of Alternatives and Recommendations

Of these fourteen alternatives, several represent more compelling and immediate possibilities than others. These must be subject to further scrutiny and public debate.

- Neither option one or two--abolition of the SSS or the status quo--permits the U.S. to meet fully its wartime manpower requirements and therefore are not recommended for further consideration as viable alternatives at this time.

- The three draft alternatives (9, 10, and 11) also appear to be beyond immediate consideration at this time. The active force draft is not needed today to man our active forces. Both the selected reserve draft and the IRR draft involve practical difficulties. A selected reserve draft would be a "home-town" draft to fill deficiencies in local selected reserve units. An IRR draft would require that personnel with as little as 12 weeks training be available for combat duty within 30 days of mobilization for a period of six years following this training. It is unclear whether such individuals could achieve and retain the necessary skills and physical conditioning with so little training. The options identified in Chapter 6 would provide training personnel in case of war without the adverse effect of a peacetime draft.

- While national service programs have had in the past and continue to have a number of strong advocates, this study and others have indicated that the costs of such programs cannot be justified in terms of national defense alone. Thus, the leadership for investigating alternatives 12, 13 and 14 should come from outside of the DoD. However, military manpower needs cannot be neglected in any such further investigations.

- Alternative eight, which requires universal medical examination, is both costly and beyond any immediate DoD needs.

- The remaining alternatives, numbers 3 through 7, would all improve the ability of DoD to meet mobilization manpower requirements without involving compulsory service in peacetime. These alternatives, together with the program alternatives indentified in Chapters 5 and 6 to improve the strength and readiness of the selected reserve and IRR, would seem to offer the best prospects for DoD to meet its full range of military manpower requirements.

While this study has not selected a specific alternative as best, it has provided data on the status of the AVF through FY 1977, the projections through FY 1990 and a series of alternatives to improve the mobilization capabilities of the Armed Forces. In choosing among the alternatives, the most important issue that remains unresolved is the willingness of the American people to subject themselves or their youth to registration and other preinduction screening. That aspect of the decision should be resolved within the political institutions of the nation, not within the Department of Defense. A primary purpose of this study is to provide the other relevant data to facilitate national debate on this important issue.

CHAPTER 9 - COST OF THE AVF

One of the primary questions which has been raised since the Nation returned to the volunteer concept in 1973 has been the cost of the All-Volunteer Force as compared to the previous methods of maintaining the Total Force. This chapter will discuss these costs, looking at estimates made in the initial phases of the AVF, actual costs today, and the future cost prospects.

Gates Commission Projections 1/

In February 1970 the President's Commission on an All-Volunteer Armed Force, chaired by Thomas Gates, submitted its report to the President. The Commission presented in its report two sets of projections on the increased cost for an all-volunteer force over the cost of a draft-supported force. The first set of projections identified the cost which would occur in the initial year of the AVF. As can be seen in Table 9-1, the greatest portion, almost three-fourths of the total, would be the cost of increasing basic pay to the levels recommended by the commission.

Table 9-1

Gates Commission Projected Additional Budget Expenditures for the First Fiscal Year of an All-Volunteer Force ($ Billions - Constant 1970)

Basic pay increase	$2.68
Proficiency pay	.21
Reserve pay increase	.15
Additional Medical Corps expense	.12
Recruiting, ROTC and misc.	.03
Total	3.24

The commission report also included an analysis of their projected increase in cost for the average year beginning by about 1977. This period was selected by the Commission as being fairly stable in accession needs, and they felt it would more accurately represent the budget requirements. Their projections are listed in Table 9-2 and

1/ The Report of the President's Commission on an All-Volunteer Armed Force, February 1970, U.S. Library of Congress Number 78-605447, U.S. Govt. Printing Office Number 1971 0-449-039.

are presented in constant 1970 dollars with the value in current dollars in ( ) behind each value.

Table 9-2

Gates Commission Projected Additional Budget Expenditures
for an All-Volunteer Force ($ Billions)
FY 1977-1979 Average in 1970 Dollars

	2.0 Million Force	2.25 Million Force	2.5 Million Force	3.0 Million Force
Basic pay increase	$1.58 ($2.63)[a/]	$1.86 ($3.09)	$2.24 ($3.73)	$5.09 ($8.47)
Reserves	.13 (.22)	.17 (.28)	.24 (.40)	.44 (.73)
Proficiency pay	- (-)	- (-)	.14 (.23)	.21 (.35)
Medical	.13 (.22)	.16 (.27)	.16 (.27)	.20 (.33)
Miscellaneous	.08 (.13)	.08 (.13)	.08 (.13)	.08 (.13)
Less turnover related savings[b/]	-.16 (-.27)	-.19 (-.32)	-.32 (-.53)	-.50 (-.83)
TOTAL	1.76 (2.93)	2.08 (3.46)	2.54 (4.23)	5.52 (9.18)

a/ Values in ( ) indicate current dollars based on inflation value of 1.6635 based on the CPI of 189.8 for March 1978 and 114.1 for March 1970.

b/ These are savings from reduced turnover and above the direct pay and allowance savings that accrue as a result of force reductions.

GAO Estimates of Cost 2/

On February 6, 1978, the General Accounting Office presented to the Congress, in response to a request from Senator Sam Nunn, a report outlining the additional cost of the All-Volunteer Force. They found that the annual cost increases attributable to the AVF were about $90 million in FY 1971, $1.5 billion in FY 1972, $3.9 billion in FY 1973,

2/ Additional Cost of the All-Volunteer Force, February 6, 1978, U.S. General Accounting Office, Number FPCD-78-11.

$3.3 billion in FY 1974, $3.4 billion in FY 1975, $3.3 billion in FY 1976, and $3.1 billion in FY 1977. The report indicated that the majority (almost three quarters) of the annual cost increase resulted from additional compensation paid to junior grade service personnel as a result of the pay raise under the Military Selective Service Act Amendments of 1971, Public Law 92-129 dated September 28, 1971. The Act increased the basic pay rates of military personnel with less than two years of service by more than 100% and gave slight increases in some pay rates of enlisted personnel with more than two years of service to balance the large increases of the junior grades. Table 9-3 is a summary of the costs as outlined by GAO.

Table 9-3

GAO Estimates of Cost Attributable to the AVF* ($ Billions)

	1971	1972	1973	1974	1975	1976	1976T	1977
Premilitary Service	$ 0.02 (0.02)	$ 0.08 (0.08)	$ 0.22 (0.20)	$ 0.27 (0.21)	$ 0.30 (0.21)	$ 0.23 (0.16)	$ 0.05 (0.03)	$ 0.23 (0.15)
Military Service	0.07 (0.07)	1.39 (1.30)	2.82 (2.48)	3.03 (2.43)	3.04 (2.24)	2.94 (2.06)	0.73 (0.49)	2.83 (1.82)
Postmilitary Service	- -	- -	- -	0.02 (0.02)	0.05 (0.04)	0.10 (0.07)	- -	0.02 (0.01)
Total	0.09 $(0.08)	1.47 $(1.37)	3.04 $(2.68)	3.32 $(2.65)	3.39 $(2.49)	3.27 $(2.29)	0.78 $(0.52)	3.07 $(1.98)

* Constant 1970 dollars are shown in ( ).
GAO indicated that the 1977 data was incomplete.

OSD Comments on the Cost of the AVF

In its reply to the GAO study on the AVF cost, OSD stated that it was well-documented and informative. It was noted that the study did not answer the more important question of how much money would be saved by a return to the draft. It is felt that the higher pay and benefits earned by junior personnel under the AVF were fully justifiable under the Federal policy of "pay comparability." 3/ If pay were not reduced, the savings from returning to the draft would be no more than $500 million per year. (The costs for alternative 11 in Chapter 8 put annual savings at $250 million.)

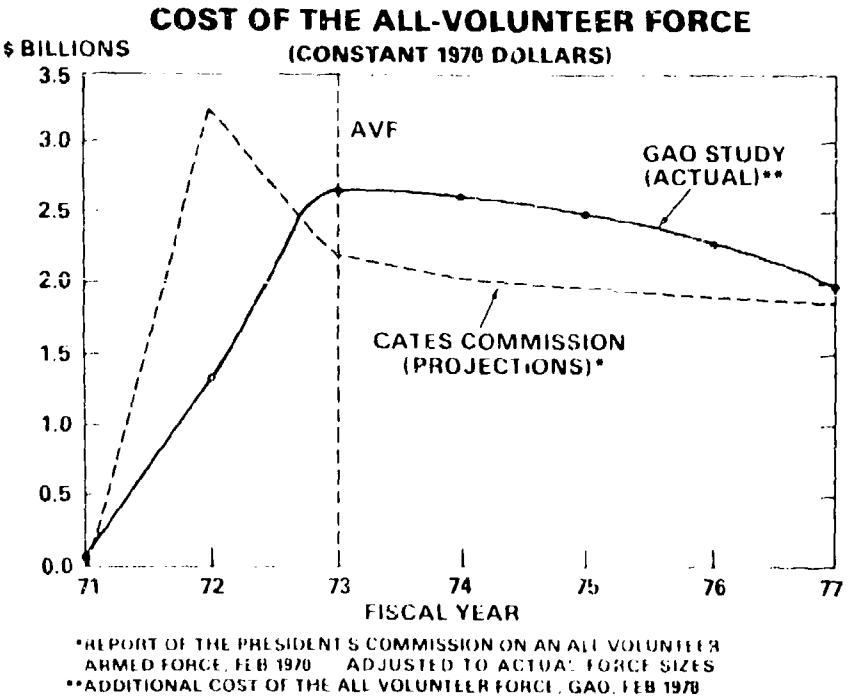
3/ Gates Report, p. 7, states that junior pay increases should be passed even if the draft were retained.

It is also important to point out that AVF costs do not consider future cost implications and liabilities. Many of the major AVF initiatives have short-term costs but significant long-term savings. For example, the December 31, 1976 termination of the GI Bill was projected to save nothing in the first year, but in the long term will save about $1.5 billion per year. In addition, OSD indicated that $2.5 billion dollars from the pay raises were returned to the Federal Government in the form of tax revenues on the increased wages, which are not included in the GAO figures. Other savings which were not included in the GAO Report which were pointed out in the OSD response were: deletion of family housing costs ($0.6 billion); savings in reenlistment bonus program ($0.5 billion); and cost avoidance under the food stamp program due to the 1971 pay raise ($0.1 billion).

Comparison of GAO and Gates Commission Cost of AVF

As of the end of FY 1977, the cumulative cost of the AVF, as computed by GAO, has been about the same as projected by the Gates Commission. While the initial costs projected for the first fiscal year were above those actually experienced, the phasing in of the AVF (with the pay raise occurring nearly a year before the last draft call) tended to spread the initial costs over the FY 1971-1973 period, as shown in Figure 9-1.

Figure 9-1



The only Gates cost factor that has not materialized is the savings associated with reduced attrition and turnover. A discussion of attrition is provided in Chapter 3. For purposes of cost, it is noted that increased first-term attrition has about offset the turnover savings achieved through longer initial enlistments. The Gates savings of $0.17 billion (1970 dollars) have not been realized; but even including turnover in the Gates calculations, the cumulative GAO costs of the AVF are within 5% of the Gates projections adjusted to the actual force sizes since FY 1973. However, it should be noted that the Gates Commission projections were intended to cover the average year beginning in 1977. Although the GAO report indicated not all costs may be included in their $3.07 billion for FY 1977, adjusting to 1970 dollars gives the GAO cost of $1.98 billion compared to $1.89 billion for the Gates projection--less than 5% difference, however, the FY 1976 costs were about 20% higher than the Commission had projected.

The "Savings" From a Return to the Draft

As discussed in Chapter 8, cost could be a reason for returning to peacetime conscription. Senator Nunn, Dr. King and other commentators on the AVF cite the GAO costs discussed above as evidence of excessive cost. The results from this study suggest that the savings from a return to the draft may be overstated by many commentators on the AVF and do not provide a sufficient or even a good reason for abandoning the AVF.

As the General Accounting Office study [4/] points out, the cost of moving to the AVF is not equivalent to the savings associated with returning to the draft. Considering that the career force has always been manned by volunteers, the only savings one should anticipate are those associated with recruiting, paying, and training the first-term members. Those savings would be partially offset by the cost of operating the conscription system. Annual net savings could be as high as $250 million per year, not considering any change in pay rates.

There is no reason to assume that junior pay would be reduced or even frozen. The Rand Study 5/ pointed out suppressing pay of conscripts, while giving the appearance of savings by reducing the Defense budget by a small percentage, distorts the economy and results in increased economic costs to the nation as a whole. The Rand Study argues that the current pay is not excessive from an equity perspective, as shown in Figure 2-9. However, Table 9-4 shows that reducing pay of the junior three pay grades to the minimum wage for a 40-hour work week (including their food and housing) would save about $1.3 billion per year or approximately 1% of the Defense budget.

4/ National Service Programs and Their Effects on Military Manpower and Civilian Youth Programs, Washington, D.C.: Government Printing Office, 1978.

5/ Richard V. L. Cooper, Military Manpower and the All-Volunteer Force, Santa Monica, California; RAND R-1450-AFPA, September 1977, pp 66-101.

Table 9-4

Savings from Paying E-1 thru E-3 [a/] the 1978 Minimum Wage

	Active	Reserve	Total Average
Calculated Wage Per Hour [b/]	3.65[c/]	3.66[d/]	3.65
Difference with $2.65 Minimum Wage	1.00	1.01	1.00
Projected FY 1978 Strength (000)	595	118	713
Savings ($ Million)	1,237	36	1,273

a/ All E-1 and E-2 plus E-3 with less than two years of service.

b/ Includes basic pay, basic allowance for quarters and basic allowance for subsistence as of October 1977. Reflects dependent status and year of service distribution of the FY 1977 force.

c/ Assumes 40 hour work week for active force.

d/ Assumes 48 drills and two weeks active duty.

The question is, are such reductions practical? The minimum wage is now $2.65 per hour. As shown in Table 9-5, the average E-1 pay and allowances is now $3.30 per hour, assuming a 40-hour work week. Under these assumptions, the member is paid $0.65 per hour more than the minimum wage. To the extent that an E-1 works more than 40 hours per week, the difference would be less. For the more common 48-hour military work week, an E-1 now makes $0.33 per hour below minimum wage, assuming time and a half for the eight hours "overtime." For the same assumptions, an E-2 makes $0.10 below minimum wage; and an E-3 makes $0.08 above minimum wage.

Table 9-5

Junior Enlisted Pay Compared to Minimum Wage ($)

	Average Hourly Wage		
	Present Pay*	Minimum Wage	Difference
40-Hour Work Week			
E-1	3.30	2.65	.65
E-2	3.60	2.65	.95
E-3	3.84	2.65	1.19
48-Hour Work Week**			
E-1	2.54	2.87	-.33
E-2	2.77	2.87	-.10
E-3	2.95	2.87	.08

* Present pay includes pay rates as of October 1, 1977 for basic pay, BAQ and BAS. The strength as of 30 June 1977 by years of service and dependent status was used to calculate the average.

** The 48-hour work week assumes eight hours per week of "overtime" at 1.5 times normal hourly wage.

The above discussion used military basic pay and allowances. The value of the allowances was assumed to be equal to the amount of cash offered in lieu of food and shelter when the government is unable to provide them in-kind. We recognize that this may overstate the value to the individual of a shared room in a barracks and eating in a military mess. Analysts at the Congressional Budget Office suggest that attributing any value to government provided food and shelter in making comparisons to minimum wage for youth overstates the value of military pay, since most 18-19 year old unmarried working youth live with their parents and have at least comparable food and lodging at home. If food and shelter allowances were excluded and only basic pay were compared to the minimum wage, an E-3 with less than two years of service who works 40 hours per week is right at minimum wage. An E-1 is $.36 per hour below.

Looking to the near future, existing law would increase the minimum wage to $3.35 per hour by 1981, an average increase of 8% per year, while the Office of Management and Budget forecasts military pay and allowance increases of no more than 6% per year.

This study concludes that junior pay should not be reduced. But even with reduction, savings are not sufficiently large to justify returning to the draft for that reason. Ultimately, that decision rests

with the Congress, but it seems unlikely that Congress would accept the political liability, economic disruption, and social instability associated wit reinstating peacetime conscription for a savings of about one percent in the Defense budget.

Cost in the Future

The cost of the AVF falls in the range of $0.25 to $2.5 billion, depending upon pay raise assumptions. The quarter billion dollar figure is the cost of the AVF if the 1971 junior pay raise and other increases in junior benefits are considered inevitable, and $2.5 billion is appropriate if the pay and benefit levels were lowered to the relative levels of the 1960s. In looking to the future, it seems very unlikely that pay to junior personnel would, or even should, be reduced significantly if a draft were reactivated. 6/ Present legislation requires comparable military pay levels and these laws are not likely to be changed in the event of returning to a draft. Because of these reasons, this study concludes that the cost of continuing the AVF is about a quarter of a billion dollars per year. 7/

Assuming that the quality of an AVF and a draft force are similar, as discussed in previous chapters, the AVF issue can be set in economic terms. Is it worth what it costs? Is not having a peacetime draft worth a quarter of a billion dollars a year to the American people? These costs need to be evaluated in terms of economic costs to the nation, not just budget costs to the Department of Defense. The Rand study addresses the difference in these costs in detail. 8/ By "investing" a quarter of a billion dollars more in the Defense budget, the Nation may have reduced unemployment costs, increased civil sector productivity, reduced internal disruption, and improved the environment for economic development. Less of our servicemen are in military confinement, and there is no draft motivated youth emigration from the United States. All of these kinds of factors need to be weighed in determining the ultimat cost to the nation of the AVF. Such a complex analysis exceeds the scope of this paper, but even in the more limited perspective of DoD budget costs, the AVF makes sense.

6/ Richard V. L. Cooper, Military Manpower and the All Volunteer Force, Santa Monica, California; RAND R-1450-ARPA, September 1977, pp. 66-101, discussed the faulty economics of peacetime conscription.

7/ Additional discussion of savings from returning to the draft are provided in Chapter 9.

8/ Cooper, Chapter 5. See Appendix M.

CHAPTER 10 - CONCLUDING SUMMARY

AVF Perspective

The All-Volunteer Force has been in existence for six years. The last draft call was made in December 1972 and the statutory authority to draft expired in June 1973. The return to a volunteer force was in keeping with the American tradition of using conscription only in time of war. To a large extent, it was the favorable supply and demand situation with respect to young men of military age that made the AVF possible. In 1955, the military needed 70% of the 18 year old males; in 1978, the military requires less than 20%. In the 1980s and 1990s, the military projected requirements call for about 25%.

When the new Administration took office in January 1977, Secretary Harold Brown asked the staff to conduct a series of studies to assess the Armed Forces, including the effectiveness of the All-Volunteer Force. Senator Sam Nunn and other members of Congress also raised questions regarding the adequacy of the AVF to meet the total force manpower requirements of the nation. This study responds to those requirements and reports the results of two years' analysis of the armed forces under the AVF. The study used FY 1977 as a base year, although updated data for FY 1978 are included in Appendix N. The report addresses the active forces, the mobilization assets and alternative courses of action. Appendix O contains Service comments as required by the Senate Armed Service Committee report. 1/

Active Force Under the AVF

The active force was originally perceived as the most serious potential AVF problem. There were concerns that the active force might not be able to recruit enough young people, that the quality of accessions might drop sharply and that the force would not be as representative of the nation as the draft had been. The active force received the bulk of management attention. While not without problems, it is doing well today. Since the inception of the AVF, the actual strength has not been more than 1.5% below the authorized levels.

The quality of active force is generally comparable with that of the draft era. The percentage of accessions with high school degrees was 69% in FY 1977 which is approximately the same as the pre-Vietnam figure of 68% in FY 1964. The Air Force had the highest percentage in FY 1977 at 88% and the Army the lowest at 59%. In FY 1978 the DoD percentage was up to 77%, but that was an unusual year with very low accession requirements because of higher than expected retention.

The mental quality of the force as measured by written test scores has tended to increase under the AVF. For instance, the percentage of below average accessions (mental group IV) has decreased significantly

1/ Senate Committee on Armed Services Report, 95th Congress, 2nd Session, 1978, p. 102.

under the AVF from a pre-Vietnam level of 15% and a high of 25% in FY 1968 to 5% in FY 1977 and FY 1978. In the past two years the Army, however, has experienced a sharp increase in those in category III-B--just below average--and a decline in those with higher test scores. For DoD as a whole, average test scores are higher than under the draft. While DoD seems to be getting its share of the high quality youth of the nation, there are imbalances in the distribution of these youth among the Services. These imbalances need to be evaluated with respect to the skills each Service requires.

Concerns that the active force would not be representative of the society at large have not yet materialized. On a geographic basis, the enlistees under the AVF have been very representative of the national youth population at the state, region, and zip code level. According to a 1975 survey, the AVF is fairly representative on an economic basis.

One major change in representations is the increase in blacks Blacks comprised 16% of the active force in FY 1977 compared to 9% in FY 1964. The percentage of FY 1977 NPS accessions that were black varied among the Services from a high of 29% in the Army to a low of 11% in the Navy and Air Force. The Army percentage increased to 34% in FY 1978. The blacks represent about 13% of the youth population.

Another representational change is women, who now constitute 6% of the active force. This is an increase from a level of 1% in the pre-Vietnam draft years. The women enlistees tend to improve the quality of the force, particularly in the Army and Marine Corps, with respect both to high school education and mental category.

The performance of the force as evidenced by the number of disciplinary infractions resulting in court-martial or nonjudicial punishments is considerably improved under the AVF.

One indicator of performance, the desertion rate, has decreased steadily since a pre-AVF high of 38 desertions per thousand people in FY 1971 to 17 per thousand people in FY 1977. The Navy is the only Service with an increasing desertion rate. The Army's present desertion rate of 13 per thousand is the same as the pre-Vietnam (1964) level.

One adverse effect of the AVF has been the sharp increase in attrition rates of first-term enlisted personnel. The three-year attrition rate for those enlisting in FY 1971 under the draft was 25%, while the same rate for FY 1974 enlistees was 40%. In large part, this reflects a more permissive attitude toward losses under the AVF than under the draft. Increased first-term attrition means higher turnover rates, higher training costs, and greater difficulty in achieving recruiting objectives. During the POM review last summer, the Secretary of Defense directed that the Services take actions to reduce first-term attrition to less than 30%.

A second adverse effect of the AVF has been a temporary shortage of physicians. During the draft, most physician accessions were draftees or draft induced (Berry Plan). The current shortage situation is the result of the rapid decline in accessions from the Berry Plan following the end of the draft in July 1973 and the long educational lead time required to produce active duty physicians through the Armed Forces Health Professional Scholarship (AFHPS) Program which was authorized in September 1972. During this transition, the Services had to rely on volunteers and the increased retention of physicians on active duty to achieve strengths. More physicians are being retained than were under the draft; and the AFHPS Program appears to be working, although competition from the more lucrative HEW program under the Health Professional Educational Assistance Act of 1976 may be a problem.

The study concludes that there are adequate military physicians to care for the peacetime active duty force. There are concerns with mobilization and with providing health care for dependents and retirees. Ways to improve the CHAMPUS program need serious consideration since reductions in growing medical requirements for non-active duty patients would largely resolve the currently identified shortages in active duty health professional.

The AVF in the Years Ahead

The major problems for the active force of the AVF lie in the prospective decline in the population of youths of recruiting age. The population declines 15% between 1980 and 1985 and about 25% by the early 1990s. Moreover, economic and other changes could compound these effects.

Our strategy for the 1980s has been to adopt a series of actions that effectively reduce our requirements for male high school graduates without prior military experience. Plans to increase utilization of women and to reduce first-term attrition were adopted in last year's POM review. These changes alone should permit us to maintain current quality well into the 1980s. Other options include a test of a two-year enlistment option in the Army combat related skills, higher reenlistments, more enlistments of persons with prior military experience, a reexamination of physical standards, as well as further actions on women and attrition. None of these steps significantly reduce the number of military personnel but rather the number of male military recruits required each year. Thus, there is a strategy to maintain the AVF that will work for the active force during the 1980s.

Mobilization Assets

The ability to augment the active forces with reserve personnel and previously untrained manpower is an essential part of the AVF.

Selected Reserve Under the AVF

In contrast to the active forces, the selected reserve has not been able to maintain strength during the AVF. The most significant decline has taken place in the Army Reserve and the Army National Guard. The total actual strength for the two components at the end of FY 1977 was 544,000 against the Congressionally authorized floor of 602,400 and in comparison with the FY 1971 strength of 665,000. The combined strength of the Army selected reserve components further declined to end FY 1978 at 527,000. Much of this decline in strength can be attributed to the difficulties of recruiting in the all-volunteer environment. During the Vietnam War, the reserves were a haven for those seeking to avoid the draft and few of the Vietnam era volunteers reenlisted. The Army also has been faced with the problem of replacing unusually large first-term losses in the reserve components. The manpower shortfalls mean not only that Army reserve and National Guard combat units are at less than desired peacetime strength, but also that reserve support units may be less capable of supporting active divisions than planned during the first thirty days of a NATO war.

Some steps have been taken to solve the reserve manning problem. The reserves now are getting a professional recruiting force and significant increases in recruiting and advertising dollars. What is required is the adoption of special pay incentives (bonuses, educational assistance, and special pays) that focus on early deploying reserve combat and support units. Some of these initiatives are now being tested. The concept is supported by the reserve community, but more drastic changes needed to restructure drill pay and reserve retirement will be more controversial.

Manpower is only one of the reserve readiness deficiencies. Changes are needed that improve reserve training, increase the active duty content of reserve forces, and assure that reserve units have proper equipment.

Individual Ready Reserve (IRR)

A more serious wartime manning problem may be the supply of individuals to fill active and reserve units and to meet the high demand for casualty replacements in the early days of an intense war. The Army enlisted IRR, which consists largely of veterans with a remaining military obligation, has shrunk drastically to 160,000 in FY 1977. While the Army IRR increased 17,000 in FY 1978, shortages still may be in excess of 200,000. 2/ Moreover, the Army IRR has a skills-mix problem. The Army IRR requirements are heavily weighted toward the combat arms, while only a fraction of those entering the IRR are trained in combat specialties.

2/ Wartime manpower requirements are very sensitive to assumptions. More work is needed before definitive requirements may be set, if they ever can be.

The FY 1978 Consolidated Guidance directed the Services to take several actions to improve the management of the IRR. During this year's POM review, we expect to recommend actions to provide a long term solution to this neglected category of defense manpower, including: a number of steps towards better management of IRR resources, creation of an IRR reenlistment program, and changes in the military obligation that would extend the IRR commitment.

Untrained Individuals

The ability to sustain a large scale conventional war beyond a few months requires the mobilization of the national industrial base to provide munitions and equipment, and the induction of large numbers of previously untrained personnel. Prior to the AVF, the Selective Service System that was providing peacetime manpower had the ability to rapidly expand to meet such increased requirements. After the AVF was well established, the Selective Service System was placed in "deep standby" status, local boards were disestablished and legislation terminated. This delayed SSS's ability to provide untrained manpower to the military training establishment in an emergency. Estimates made by SSS, OMB, CBO and GAO all agree that the current SSS cannot meet DoD requirements for untrained manpower to meet a short warning, high-intensity war.

The inability of SSS to meet emergency manpower requirements was traced to three factors relating to delivery time: (1) delays resulting from inadequate computer support for SSS; (2) time delays required to reconstitute the massive SSS field structure; and (3) time delays associated with not having peacetime registration. All studies agreed with the need for more computer support and the need to streamline the SSS field structure. There are disagreements as to both the size of the field structure needed and the requirement to reconstitute it before beginning inductions. The key to a shorter delivery time lies in having a list of eligible people to be drafted on or soon after mobilization. SSS prefers to conduct face-to-face peacetime registration, while CBO suggests that using existing computerized data files can accomplish the same ends. Alternatives were developed providing a full range of options including elimination of SSS, improved SSS, peacetime induction and national service.

AVF Alternatives

Four major reasons were considered as possible arguments for a return to some form of compulsory military service: major war, manpower shortfalls, national youth program and cost-savings. These four reasons for a potential return to conscription led to three basic approaches or courses of action: an improved standby draft, a return to a peacetime draft, and a move to national youth service. Fourteen alternatives that effectively spanned these approaches were developed and evaluated with respect to their costs and their potential benefits to the national defense. As a result of this analysis, six alterna-

tives were recommended for further consideration. These represent increasing levels of SSS improvement from a $2 million per year systemic adjustment in the current "deep standby" concept to a $60 million per year registration, testing, examining and classification system.

Cost

The AVF costs about $3 billion per year more than it would have cost to continue with the draft. After adjusting for inflation, this is close to the estimates made by the Gates Commission in its 1970 report. Fully three-quarters of the cost attributed to the AVF is associated with the 1971 pay raise for junior personnel. As the Gates Commission stated, this pay raise was justified regardless of the AVF decision. A cost savings of about $250 million per year is possible through a return to an active force draft. This estimate includes reduced advertising and recruiting costs and increased SSS costs, but does not consider any enforcement, economic dislocation or other societal costs that may result. Larger savings are possible only by cutting pay. Considering hours worked, junior personnel now earn about the minimum wage including their food and housing as part of that pay. Savings by wage reductions are not recommended.

Conclusions of the Study

- The AVF has provided the military services with a full-strength active force of a quality equal to or superior to that achieved under the draft. The cost of this policy has been close to that projected in 1970 by the Gates Commission.

- Although Navy, Marine Corps, and Air Force Reserve components have been able to meet Congressionally authorized strengths, the Army National Guard and Reserve have sagged. A number of programs are being tested or have been adopted to increase both the strength and readiness of Army reserve components.

- The pool of trained individuals with a military obligation able to meet mobilization manpower needs has shrunk since the end of the Vietnam War. Current levels of the IRR and other pools such as military retirees are probably not sufficient to meet immediate requirements for individual replacements in a major war. A variety of programs are under active consideration that would increase the level of resources in this important area.

- A rapid mobilization of the civil sector medical community is needed to absorb the high casualty workload during the early phase of a major war in Europe. The DoD and civilian agencies must develop plans to provide this capability.

- A more responsive standby draft is needed to provide manpower in case of a major protracted war in Europe. In considering a wide range of alternatives to the AVF, the study group recommends that systemic improvements be made in the standby SSS.

- The results of this study do not support a return to peacetime conscription for either the active force or the reserves.

- A national service program should not be based on military manpower needs, but rather on the needs of the youth of the nation and the cost relative to other national objectives. However, if a decision is made to move to national service, the military manpower requirements need to be considered in designing and implementing that plan.

APPENDIX A

SUPPORTING DATA FOR FIGURES 1/

This appendix provides the values (in tabular form) which were used to develop the figures presented in the text of the report. Strength numbers are listed for the nearest thousand (000). Due to rounding, totals may not add.

1/ Source of Data: Data Book for the All-Volunteer Force, Terryl J. Wisener, Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), December 1978.

Data for Figure 1-1:

SUPPLY AND DEMAND FOR YOUNG MEN (000)

YEAR	3-YR MOVING AVG. 18 YR OLD MALES	ESTIMATED MILITARY ELIGIBLE	TOTAL MALE ACCESSIONS	ACTIVE DUTY MALE ENLISTED NPS ACCESSIONS
54	1,067	795	650	576
55	1,080	799	700	623
56	1,095	805	576	482
57	1,113	816	646	457
58	1,135	832	533	367
59	1,162	860	536	392
60	1,225	919	572	389
61	1,344	1,016	578	395
62	1,418	1,078	677	519
63	1,447	1,099	656	370
64	1,410	1,083	723	477
65	1,579	1,243	580	404
66	1,706	1,373	1,139	894
67	1,838	1,491	950	760
68	1,792	1,446	985	832
69	1,792	1,470	993	809
70	1,854	1,516	872	619
71	1,910	1,581	697	531
72	1,959	1,627	555	405
73	2,003	1,667	565	435
74	2,039	1,696	466	352
75	2,083	1,732	478	382
76	2,135	1,766	452	366
77	2,159	1,793	438	356
78	2,156	1,787	435	286
79	2,163	1,782	430	297
80	2,159	1,787	420	315
81	2,145	1,775	415	300
82	2,112	1,748	415	291
83	2,062	1,706	410	283
84	1,987	1,644	418	280
85	1,905	1,576	418	280
86	1,839	1,522	418	280
87	1,817	1,503	418	280
88	1,826	1,511	418	280
89	1,863	1,542	418	280
90	1,843	1,525	418	280
91	1,773	1,467	418	280
92	1,679	1,389	418	280
93	1,647	1,363	418	280
94	1,668	1,380	418	280

Data for Figure 2-1:

TOTAL ACTIVE MILITARY END STRENGTH TRENDS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD	AUTHORIZED*
64	973	668	190	857	2,687	--
65	969	672	190	825	2,655	--
66	1,200	745	262	887	3,094	--
67	1,442	751	285	897	3,377	--
68	1,570	765	207	905	3,547	--
69	1,512	775	310	862	3,459	--
70	1,322	692	260	791	3,066	--
71	1,123	623	212	755	2,714	--
72	811	588	198	726	2,322	2,553
73	801	564	196	691	2,252	2,329
74	783	546	189	644	2,161	2,190
75	784	535	196	613	2,127	2,149
76	779	524	192	585	2,081	2,091
77	782	530	192	570	2,074	2,093

*Congressional authorizations were not established for Fiscal Year end strengths prior to FY 1972.

Data for Figure, 2-2:

ACTIVE DUTY OFFICER END STRENGTHS* (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	111	76	17	133	338
65	112	78	17	132	339
66	118	80	21	131	349
67	144	82	24	135	384
68	166	85	25	140	416
69	173	85	26	135	419
70	167	81	25	130	402
71	149	75	22	126	371
72	121	73	20	122	336
73	116	71	19	115	321
74	106	67	19	110	302
75	103	66	19	105	292
76	99	64	19	100	281
77	98	63	19	96	276

*Includes Warrant Officers.

Data for Figure 2-3:

OFFICERS AS A PERCENTAGE OF
TOTAL ACTIVE DUTY MILITARY PERSONNEL*

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	11	11	9	16	13
65	12	12	9	16	13
66	10	11	8	15	11
67	10	11	8	15	11
68	11	11	8	15	12
69	11	11	8	16	12
70	13	12	10	16	13
71	13	12	10	17	14
72	15	12	10	17	14
73	15	13	10	17	14
74	14	12	10	17	14
75	13	12	10	17	14
76	13	12	10	17	14
77	13	12	10	17	13

*Includes Warrant Officers.

Data for Figure 2-4:

TOTAL ACTIVE DUTY OFFICER ACCESSIONS* (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	21	10	2	13	46
65	18	11	2	12	43
66	22	11	5	12	50
67	44	12	5	18	78
68	36	12	4	18	70
69	31	14	4	13	61
70	34	12	3	13	63
71	20	9	2	12	43
72	13	10	2	11	36
73	11	7	2	10	31
74	8	6	2	9	25
75	8	6	2	8	24
76	9	7	2	7	25
77	10	7	2	6	25

*Includes Warrant Officers.

Data for Figure 2-5:

ACTIVE DUTY ENLISTED END STRENGTHS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	861	586	173	720	2,340
65	855	589	173	690	2,306
66	1,080	661	241	753	2,735
67	1,297	665	262	759	2,982
68	1,402	675	283	762	3,121
69	1,337	686	284	723	3,030
70	1,153	607	235	657	2,653
71	972	544	191	625	2,331
72	687	512	178	600	1,977
73	682	491	177	572	1,921
74	674	475	170	529	1,849
75	678	476	177	503	1,835
76	678	458	174	481	1,790
77	680	462	173	470	1,785

Data for Figure 2-6:

ACTIVE DUTY ENLISTED NPS ACCESSIONS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	268	90	39	89	486
65	205	90	34	84	414
66	488	136	118	162	903
67	489	94	74	111	770
68	533	118	101	91	843
69	455	143	106	117	821
70	376	99	85	73	632
71	314	78	56	96	544
72	187	87	58	86	418
73	215	95	52	94	455
74	182	79	48	74	383
75	185	101	58	76	419
76	180	93	51	73	397
77	168	102	45	73	388

Data for Figure 2-7:

ACTIVE DUTY ENLISTED TURNOVER (PERCENT)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	32	17	23	13	22
65	25	16	20	13	19
66	25	11	21	14	18
67	22	15	21	15	18
68	31	17	29	12	23
69	35	20	37	16	28
70	34	17	36	11	25
71	34	15	30	16	25
72	29	18	33	16	22
73	34	21	31	17	25
74	30	18	29	14	22
75	30	23	30	16	25
76	29	22	31	16	24
77	27	23	26	16	23

Data for Figure 2-8:

ENLISTED VOLUNTEERS AS
PERCENTAGE OF ACTIVE ENLISTED ACCESSIONS

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
71	34	57	72	57	45
72	64	68	81	75	70
73	72	79	90	89	79
74	100	100	100	100	100
75	100	100	100	100	100
76	100	100	100	100	100
77	100	100	100	100	100

Data for Figure 2-9:

ANNUAL PAY INDEXES* FOR CIVILIAN, CAREER MILITARY, AND RECRUITS

FISCAL YEAR	CIVILIAN	CAREER MILITARY	RECRUIT
50	100	100	100
51	105	100	100
52	111	104	104
53	114	104	104
54	119	104	104
55	124	117	104
56	131	117	104
57	135	117	104
58	140	140	104
59	144	140	104
60	148	140	104
61	154	140	104
62	157	140	104
63	163	154	104
64	169	158	104
65	177	166	122
66	185	173	123
67	197	183	128
68	210	195	134
69	222	220	145
70	238	238	164
71	254	256	169
72	271	275	292
73	292	293	312

*INDEX: 1950 = 100.

Data for Figure 2-10:

RECRUITING, ADVERTISING AND BONUS COSTS ($MILLION)

	ADVERTISING		RECRUITING		BONUSES	
FISCAL YEAR	ACTUAL$	77$	ACTUAL$	77$	ACTUAL$	77$
70	6.5	10.2	119.5	212.2	-	-
71	22.7	35.5	139.7	231.3	-	-
72	40.6	60.9	191.4	281.5	1.5	2.2
73	68.3	98.0	256.0	342.6	40.9	54.7
74	96.1	126.2	299.1	372.0	43.0	53.5
75	89.1	102.6	346.8	397.9	58.8	67.5
76	67.8	72.8	311.2	337.6	68.5	74.3
77	64.4	64.4	327.6	327.6	30.3	30.3
78	73.9	69.0	379.2	354.1	56.7	53.0
79	74.1	65.2	380.2	355.1	60.9	56.9

Data for Figure 2-11:

ACTIVE DUTY NPS ENLISTED ACCESSIONS BY MENTAL CATEGORY
MENTAL CATEGORIES I & II (PERCENT)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	34	42	38	51	38
65	33	39	40	47	39
66	35	51	39	50	40
67	35	57	36	48	39
68	34	60	31	47	39
69	35	48	29	47	38
70	34	45	28	47	36
71	33	46	26	40	35
72	34	37	25	43	35
73	33	36	25	42	35
74	31	36	33	43	35
75	35	39	37	44	38
76	33	44	40	51	40
77	25	40	32	54	35

MENTAL CATEGORY III (PERCENT)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	45	48	53	46	47
65	49	48	56	46	49
66	43	44	48	44	44
67	38	27	47	40	38
68	38	24	47	37	37
69	38	33	46	36	38
70	41	39	49	36	41
71	42	41	55	43	43
72	48	43	55	49	48
73	50	49	60	52	51
74	51	61	59	56	55
75	55	57	60	56	56
76	60	52	57	49	55
77	66	58	64	46	60

Data for Figure 2-11 (continued):

MENTAL CATEGORY IV (PERCENT)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	21	11	9	4	15
65	18	14	4	7	14
66	23	6	13	6	16
67	27	16	17	12	23
68	28	16	22	16	25
69	27	19	25	17	24
70	25	16	23	17	23
71	25	14	19	17	21
72	18	20	20	8	17
73	17	15	14	4	14
74	18	3	8	1	10
75	10	5	4	*	6
76	8	4	3	*	5
77	9	2	4	*	5

*Less than half of one percent.

Data for Figure 2-12:

FY 1977 MENTAL QUALITY DISTRIBUTION (PERCENT OF TOTAL)
NON-PRIOR SERVICE ACTIVE DUTY ENLISTED ACCESSIONS

RAW SCORE*	Normal POPULATION**	ARMY	NAVY	USMC	USAF	DOD
23	1.3	0.1	0.0	0.0	0.0	0.0
24	1.4	0.1	0.0	0.1	0.0	0.1
25	1.5	0.1	0.0	0.1	0.0	0.1
26	1.6	1.8	0.0	0.0	0.0	0.8
27	1.8	1.6	0.0	0.1	0.0	1.3
28	1.9	2.0	0.8	1.3	0.0	1.3
29	2.0	1.8	0.8	1.5	0.0	1.2
30	2.1	1.7	0.8	1.5	0.1	1.1
31	2.2	4.8	1.6	2.0	0.1	2.8
32	2.3	4.7	1.7	2.2	0.2	2.8
33	2.4	4.6	2.1	2.5	0.4	2.9
34	2.5	4.3	2.3	2.6	0.5	2.9
35	2.6	3.9	2.1	2.7	0.7	2.7
36	2.7	4.1	2.5	3.2	1.0	3.0
37	2.8	3.8	2.7	3.4	1.5	3.0
38	2.8	3.4	2.5	3.3	1.5	2.8
39	2.9	3.1	2.2	3.3	1.9	2.7
40	2.9	2.8	2.2	3.1	1.8	2.5
41	3.0	3.0	2.9	3.8	2.9	3.0
42	3.0	2.7	3.2	3.4	2.8	2.9
43	3.0	2.4	3.1	3.4	2.9	2.8
44	3.0	2.3	3.1	3.4	3.1	2.8
45	2.9	2.3	3.2	3.1	3.1	2.8
46	2.9	2.0	2.8	3.0	3.1	2.5
47	2.9	1.9	2.9	2.9	3.2	2.5
48	2.8	2.9	3.5	3.4	4.0	3.3
49	2.7	2.0	3.2	3.1	3.7	2.8
50	2.7	2.6	3.2	3.3	4.2	3.1
51	2.6	2.2	3.0	2.7	3.3	2.7
52	2.5	2.3	3.1	3.0	4.3	3.0
53	2.4	2.1	3.0	2.9	4.3	2.8
54	2.3	2.0	3.0	2.6	4.0	2.7
55	2.2	1.8	2.8	2.2	3.3	2.4
56	2.1	1.9	3.1	2.7	4.0	2.7
57	1.9	1.3	2.6	2.1	3.5	2.1
58	1.8	1.9	3.2	2.5	4.3	2.7
59	1.7	2.2	3.1	2.4	4.4	2.9
60	1.6	1.5	2.9	2.1	3.9	2.4
61	1.5	1.5	2.9	2.0	3.9	2.3
62	1.4	1.2	2.1	1.4	2.6	1.7
63	1.3	1.4	2.0	1.3	2.7	1.8
64	1.2	1.0	1.7	1.1	1.9	1.3
65	1.1	0.6	1.5	0.9	1.8	1.1
66	1.0	0.7	1.3	0.8	1.4	1.0
67	0.9	0.4	1.2	0.6	1.2	0.8
68	0.8	0.5	0.9	0.5	1.0	0.7
69	0.7	0.4	0.8	0.3	0.9	0.6
70	0.6	0.3	0.5	0.2	0.5	0.3

*RAW ASVAB AFQT Score
**Normal distribution for Military Eligible Population

Data for Figure 2-13:

HIGH SCHOOL DIPLOMA GRADUATE PERCENTAGE
OF TOTAL ACTIVE DUTY NPS ENLISTED ACCESSIONS

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	67	58	61	84	68
65	66	56	61	91	68
66	76	77	69	93	78
67	70	89	66	96	76
68	69	86	57	95	73
69	69	81	55	94	73
70	70	80	49	94	72
71	67	75	43	87	69
72	61	77	52	86	68
73	62	71	51	85	67
74	50	69	50	85	61
75	58	71	53	85	65
76	59	77	62	89	69
77	59	73	70	88	69

Data for Figure 2-14:

HIGH SCHOOL GRADUATES* AS A PERCENTAGE OF
TOTAL ACTIVE ENLISTED PERSONNEL

Year	ARMY	NAVY	USMC	USAF	DOD
56	53.9	45.5	49.3	65.6	55.2
59	61.4	47.9	60.9	74.9	62.3
60	63.5	51.4	62.8	81.1	66.1
62	73.8	52.2	70.2	88.2	72.7
63	75.4	54.5	71.5	84.5	72.8
65	77.1	78.0	70.5	94.2	81.6
67	79.1	81.4	71.7	94.2	82.7
69	79.8	78.1	65.9	95.9	82.0
70	83.5	86.9	67.0	92.6	85.2
71	85.0	87.7	67.4	89.8	85.6
72	76.3	85.5	64.2	89.0	81.3
73	83.4	84.9	65.1	97.0	86.2
74	84.7	84.6	66.4	97.6	86.7
75	85.3	84.9	71.5	98.1	87.4
76	85.6	85.1	73.6	98.5	87.8
77	86.2	82.4	78.9	98.7	87.8

Data for Figure 2-15:

HIGHER EDUCATION TRENDS OF THE ACTIVE ENLISTED FORCE
(PERCENT)

Year[a/]	At Least Some College[b/]	At Least 2 Year College[c/]	At Least College Graduates[d/]
60	13.5	6.1	1.5
62	15.7	5.8	1.4
63	16.7	5.8	1.4
65	19.7	7.1	1.3
67	21.5	9.5	2.2
69	21.3	13.4	4.9
70	22.7	14.5	5.8
71	22.5	11.9	5.0
72	15.9	8.6	2.7
73	15.8	7.8	1.9
74	15.7	7.6	1.7
75	16.6	7.8	1.6
76	17.9	9.0	2.4
77	18.5	9.5	2.7

a/ All years as of 31 December except 29 Feb 1960.

b/ Includes 2 years and college graduates.

c/ Includes associate degrees and college graduates.

d/ Includes 4 year programs or more.

Data for Figure 2-16:

BLACKS AS A PERCENTAGE OF TOTAL ACTIVE DUTY OFFICER ACCESSIONS*

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
68	2.4	1.0	1.1	1.5	1.9
69	1.9	0.7	1.8	1.4	1.5
70	1.0	0.7	2.2	1.2	1.1
71	2.0	1.1	1.2	1.6	1.7
72	1.4	1.4	4.2	1.6	1.6
73	3.2	2.7	4.2	3.2	3.1
74	6.0	2.4	4.3	5.2	4.7
75	6.8	2.0	5.3	6.3	5.3
76	7.1	2.3	4.7	6.9	5.4
77	6.1	3.2	3.3	7.3	5.4

*Includes Warrant Officers.

Data for Figure 2-17:

BLACK ACTIVE DUTY OFFICER END STRENGTHS* (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	3.5	0.2	0.1	2.1	5.8
65	3.6	0.3	0.1	2.1	6.1
66	4.1	0.3	0.1	2.3	6.7
67	4.9	0.3	0.2	2.4	7.8
68	5.0	0.4	0.2	2.4	8.0
69	5.4	0.6	0.3	2.4	8.6
70	4.6	0.5	0.3	2.2	7.7
71	5.4	0.5	0.3	2.2	8.4
72	4.8	0.7	0.3	2.1	7.9
73	4.7	0.8	0.4	2.2	8.1
74	4.8	0.9	0.5	2.5	8.6
75	5.0	0.9	0.6	2.6	9.0
76	5.1	1.0	0.6	2.8	9.5
77	6.0	1.2	0.7	3.1	11.0

*Includes Warrant Officers.

Data for Figure 2-18:

BLACKS AS A PERCENTAGE OF TOTAL ACTIVE DUTY OFFICERS*

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	3.2	0.3	0.3	1.5	1.7
65	3.3	0.3	0.3	1.6	1.8
66	3.5	0.3	0.4	1.7	1.9
67	3.4	0.3	0.7	1.8	2.0
68	3.0	0.4	0.8	1.7	1.9
69	3.1	0.7	1.1	1.7	2.0
70	2.8	0.6	1.3	1.7	1.9
71	3.6	0.7	1.3	1.7	2.3
72	3.9	0.9	1.4	1.7	2.3
73	4.0	1.1	1.9	2.0	2.5
74	4.5	1.3	2.4	2.2	2.8
75	4.8	1.4	3.1	2.5	3.1
76	5.2	1.6	3.4	2.8	3.4
77	6.1	1.9	3.6	3.2	4.0

*Includes Warrant Officers.

Data for Figure 2-19:

BLACKS AS A PERCENTAGE OF TOTAL NPS ACTIVE DUTY ENLISTED ACCESSIONS

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	13	5	9	9	11
65	15	6	8	13	12
66	12	3	9	8	10
67	12	4	10	8	11
68	14	5	13	10	12
69	14	9	14	12	13
70	14	8	15	12	13
71	14	9	14	15	13
72	15	12	17	13	14
73	20	11	21	15	17
74	27	11	21	17	21
75	23	10	19	13	18
76	24	9	16	10	17
77	29	11	21	11	20

Data for Figure 2-20:

BLACK ACTIVE DUTY ENLISTED END STRENGTHS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	102	35	15	72	224
65	119	34	18	74	245
66	134	34	24	79	271
67	157	31	28	79	296
68	177	34	33	78	322
69	143	37	32	78	290
70	151	37	23	77	289
71	139	31	22	79	271
72	117	37	28	79	260
73	126	40	30	80	275
74	143	40	31	75	290
75	150	37	32	73	293
76	160	37	29	71	297
77	180	40	30	69	319

Data for Figure 2-21:

BLACKS AS A PERCENTAGE OF
ACTIVE DUTY ENLISTED END STRENGTHS

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	12	6	9	10	10
65	14	6	10	11	11
66	12	5	10	10	10
67	12	5	11	10	10
68	13	5	12	10	10
69	11	5	11	11	10
70	13	6	10	12	11
71	14	6	11	13	12
72	17	7	16	13	13
73	18	8	17	14	14
74	21	9	18	14	16
75	22	8	18	15	16
76	24	8	17	15	17
77	26	9	18	15	18

Data for Figure 2-22:

DOD COURT-MARTIAL, NJP AND DESERTION RATES
(INCIDENTS PER 1000 ENLISTED STRENGTH)

FISCAL YEAR	NJP AND COURT-MARTIAL	NJP	COURT-MARTIAL	DESERTIONS
64	31	*	*	8
65	31	*	*	9
66	27	*	*	9
67	29	*	*	14
68	29	141	171	18
69	36	151	187	24
70	31	168	200	31
71	29	168	198	40
72	25	169	194	32
73	23	185	207	29
74	24	211	235	29
75	21	202	222	26
76	16	191	206	20
77	12	176	188	18

*Not available due to changes in reporting codes and procedures.

Data for Figure 2-23:

TOTAL DISCIPLINARY INCIDENT RATES -- ALL COURTS-MARTIAL PLUS NJP
(INCIDENTS PER 1000 ENLISTED STRENGTH)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
68	244	137	249	43	171
69	282	128	253	43	187
70	300	126	309	45	200
71	293	137	336	44	198
72	303	131	350	60	194
73	295	175	407	66	207
74	290	253	492	72	235
75	274	245	437	62	222
76	252	229	395	56	206
77	253	207	275	46	188

Data for Figure 2-24:

COURT-MARTIAL RATES (ALL TYPES)
(COURTS-MARTIAL PER 1000 ENLISTED STRENGTH)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	48	27	47	10	31
65	51	27	46	7	31
66	40	28	40	5	27
67	40	28	45	4	29
68	44	23	46	4	29
69	57	19	57	4	36
70	47	20	59	4	31
71	40	23	69	3	29
72	36	16	70	4	25
73	29	17	70	4	23
74	30	19	73	5	24
75	22	19	69	3	21
76	14	18	54	3	16
77	10	19	32	2	12

Data for Figure 2-25:

NON-JUDICIAL PUNISHMENT RATES
(PUNISHMENTS PER 1000 ENLISTED STRENGTH)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
68	201	114	203	39	141
69	225	109	196	39	151
70	253	107	250	41	168
71	253	114	266	41	168
72	267	114	280	56	169
73	266	158	337	61	185
74	260	234	419	68	211
75	252	226	368	58	202
76	238	210	341	53	191
77	243	189	243	43	176

Data for Figure 2-26:

DESERTION RATES*
(DESERTIONS PER 1000 ENLISTED STRENGTH)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	13	6	18	1	8
65	16	7	19	1	9
66	15	9	16	**	9
67	22	10	27	1	14
68	30	9	31	1	18
69	42	7	41	1	24
70	52	10	60	1	31
71	74	11	56	2	40
72	63	8	65	3	32
73	52	14	65	3	29
74	41	21	90	3	29
75	27	22	105	2	26
76	18	25	69	1	20
77	15	32	47	1	18

*The term desertions is used in the administrative context of absent without authorization for over 30 days and does not represent convictions.

**Less than one-half per 1000.

Data for Figure 3-1:

PROJECTIONS OF 17-21 YEAR OLD MALE POPULATION

YEAR	17-21 YEAR OLD MALES (000)
76	10,633
77	10,725
78	10,826
79	10,809
80	10,758
81	10,686
82	10,524
83	10,229
84	9,918
85	9,602
86	9,334
87	9,204
88	9,225
89	9,139
90	9,000

Data for Figure 3-4:

ESTIMATED MALE NPS HSDG I-III ACCESSIONS
RELATIVE TO PROJECTED FY 1978 LEVELS (000)

	FY 80	FY 82	FY 85	FY 90
CASE 1 (CBO "VIGOROUS")	-9 (-4%)	-21 (-10%)	-34 (-16%)	-44 (-21%)
CASE 2 (CBO "LESS VIGOROUS")	-2 (-1%)	-9 (-4%)	-25 (-12%)	-34 (-16%)
CASE 3 ("RECESSION")	+2 (+1%)	+6 (+3%)	-6 (-3%)	-16 (-8%)

Data for Figure 3-3:

TRAINED MANYEARS PER MALE NPS ACCESSION
FOR THE FIRST 3 YEARS OF SERVICE

Month of Service	FY 1971 Accessions	FY 1974 Accessions
0	1.00	1.00
6	0.94	0.84
12	0.89	0.79
24	0.79	0.67
36	0.73	0.62

Data for Figure 3-4:

ACTIVE DUTY NPS MALE ATTRITION PERCENTAGES

ENTRY YEAR	0-6 MONTHS	7-12 MONTHS	13-24 MONTHS	25-36 MONTHS	0-36 MONTHS
71	8.4	4.4	8.3	4.7	25.9
72	8.0	5.3	9.1	5.4	28.0
73	8.7	5.7	10.8	7.0	31.5
74	13.2	5.2	11.5	6.6	36.5
75	13.2	5.7	10.9	5.7	35.4
76	14.9	5.7	9.9	5.0	35.5
77	14.0	5.4	9.9	5.1	34.5
78	11.3	5.2	8.7	4.8	29.7
79	11.0	4.9	8.3	4.4	28.4
80	11.2	5.0	8.3	4.4	29.0
81	11.1	4.9	8.2	4.5	28.6
82	10.8	4.9	8.1	4.5	28.2
83	10.9	4.8	8.0	4.4	28.1
84	10.8	4.8	8.1	4.4	28.0

Data for Figure 3-5:

ACTIVE DUTY NON-PRIOR SERVICE MALE ATTRITION PERCENTAGES
TOTAL DOD BY EDUCATIONAL ATTAINMENT
0-36 MONTHS OF SERVICE

ENTRY YEAR	HIGH SCHOOL DIPLOMA GRADUATES	NON-HIGH SCHOOL DIPLOMA GRADUATES	TOTAL MALE Accessions
71	18.2	39.7	25.9
72	21.0	41.6	28.0
73	23.2	46.3	31.5
74	26.0	50.9	36.5
75	26.6	51.4	35.4
76	27.1	51.5	35.5
77	26.4	51.9	34.5
78	25.1	48.3	29.7
79	23.0	44.9	28.4
80	22.8	44.6	29.0
81	22.9	43.7	28.6
82	22.8	44.2	28.2
83	22.6	44.2	28.1
84	22.8	43.7	28.0

Data for Figure 3-6:

SUPPLY AND MILITARY RECRUITING OF WOMEN (000)

YEAR	18 YEAR-OLD FEMALES 3-YEAR MOVING AVERAGE	TOTAL FEMALE ACCESSIONS*
64	1,539	11
65	1,661	12
66	1,790	11
67	1,748	12
68	1,773	14
69	1,811	16
70	1,867	17
71	1,916	16
72	1,960	16
73	1,996	25
74	2,040	36
75	2,074	57
76	2,100	48
77	2,098	47
78	2,104	57
79	2,098	58
80	2,083	64
81	2,049	68
82	2,001	71
83	1,928	71
84	1,850	71
85	1,783	71
86	1,761	71
87	1,768	71
88	1,801	71
89	1,773	71
90	1,709	71
91	1,616	71
92	1,585	71
93	1,577	71
94	1,592	71

*Total includes officer and enlisted, active and reserve.

Data for Figure 3-7:

ENLISTED WOMEN AS A PERCENTAGE
OF TOTAL ACTIVE DUTY ENLISTED FORCE

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
64	1	1	1	1	1
65	1	1	1	1	1
66	1	1	1	1	1
67	1	1	1	1	1
68	1	1	1	1	1
69	1	1	1	1	1
70	1	1	1	1	1
71	1	1	1	2	1
72	2	1	1	2	2
73	2	2	1	3	2
74	4	3	1	4	3
75	6	4	2	5	5
76	7	4	2	6	5
77	7	4	2	7	6
78	8	4	2	9	7
79	9	5	3	10	8
80	9	6	3	12	9
81	10	7	3	13	9
82	11	8	4	15	10
83	12	8	4	16	11
84	12	8	5	17	12

Data for Figure 3-8:

PERCENTAGE OF ENLISTED OCCUPATIONAL POSITIONS FILLED BY WOMEN

OCCUPATIONAL AREA	PERCENT WOMEN (FY 1977)
Electronic Equipment Repair	2.8
Communications & Intelligence	7.4
Medical & Dental	16.7
Other Technicians	5.5
Administration & Clerk	12.9
Electrical/Mechanical Equipment Repair	2.1
Craftsmen	2.1
Service & Supply Handlers	6.3
Combat	0.1
Other (includes students & trainees)	7.4
Total	5.8

Data for Figure 3-9:

FY 1977 OCCUPATIONAL DISTRIBUTION OF ACTIVE DUTY ENLISTED PERSONNEL
(PERCENT OF TOTAL)

OCCUPATIONAL AREA	MALE	FEMALE	TOTAL
Electronic Equipment Repair	10	5	9
Communications & Intelligence	8	11	8
Medical & Dental	4	13	4
Other Technicians	2	2	2
Administration & Clerk	14	33	15
Electrical/Mechanical Equipment Repair	20	7	19
Craftsmen	4	1	4
Service & Supply Handlers	9	10	9
Combat	15	*	15
Other	14	19	14
Total	100	100	100

*Less than half of one percent.

Data for Figure 3-11:

PERCENT OF MALE AND FEMALE ACCESSIONS
FY 1971-1976 ON ACTIVE DUTY AS OF END FY 1977

	ENTRY YEAR					
SERVICE	71	72	73	74	75	76
ARMY						
MALE	13.1	20.1	20.7	24.0	48.1	69.5
FEMALE	20.4	24.5	28.4	30.0	47.1	66.3
NAVY						
MALE	15.8	18.5	17.8	37.0	54.4	74.7
FEMALE	15.0	21.4	20.0	39.0	60.2	75.1
USMC						
MALE	17.0	18.6	16.3	33.1	50.8	73.6
FEMALE	22.8	22.6	16.4	20.4	35.5	60.5
USAF						
MALE	22.8	24.5	29.2	48.5	65.6	79.5
FEMALE	21.9	26.2	34.6	49.5	64.6	77.8
DOD						
MALE	15.6	20.4	21.4	32.6	5^.0	73.0
FEMALE	20.1	24.5	27.9	36.9	55.1	71.9

Data for Figure 3-12:

DOD AVERAGE PAY GRADE FOR ACTIVE DUTY ENLISTED MEN AND WOMEN BY YEAR OF SERVICE (AS OF END FY 1977)

YEARS OF SERVICE	MALE	FEMALE
1	1.7	1.7
2	3.0	3.2
3	3.6	3.8
4	4.1	4.2
5	4.4	4.5
6	4.7	4.7
7	5.0	4.9
8	5.2	5.1
9	5.3	5.3
10	5.4	5.5
11	5.6	5.7
12	5.8	5.9
13	5.9	6.1
14	6.1	6.2
15	6.2	6.3
16	6.3	6.6
17	6.5	6.6
18	6.6	6.7
19	6.7	6.8
20	6.9	7.0
20+	7.5	7.5

Data for Figure 4-1:

NUMBER OF PERSONS ELIGIBLE FOR CARE PER ACTIVE DUTY PHYSICIAN

FISCAL YEAR	ACTIVE DUTY	ACTIVE DUTY & DEPENDENTS	TOTAL*
64	234	578	690
65	220	550	669
66	229	528	644
67	228	504	623
68	237	518	648
69	220	484	619
70	197	455	603
71	193	473	649
72	167	412	604
73	177	457	678
74	194	489	758
75	190	468	750
76	191	468	773
77	192	464	789

*Total includes active duty, retirees, active duty dependents and dependents of deceased personnel.

Data for Figure 4-2:

HOSPITAL BEDS OCCUPIED PER ACTIVE DUTY PHYSICIAN

Fiscal Year	Active Duty	Active Duty Dependents	Retirees and Dependents	Other	Total
64	1.56	0.65	0.30	0.15	2.65
65	1.47	0.61	0.30	0.14	2.53
66	1.56	0.49	0.27	0.12	2.45
67	1.76	0.45	0.27	0.12	2.61
68	2.00	0.43	0.27	0.10	2.81
69	2.01	0.39	0.27	0.09	2.77
70	1.71	0.38	0.28	0.10	2.47
71	1.46	0.41	0.33	0.10	2.30
72	1.12	0.38	0.35	0.08	1.94
73	1.05	0.39	0.39	0.08	1.90
74	1.04	0.40	0.42	0.07	1.94
75	0.92	0.37	0.41	0.07	1.77
76	0.76	0.37	0.42	0.07	1.63
77	0.65	0.35	0.42	0.06	1.48

Data for Figure 4-3:

OUTPATIENT VISITS PER DAY PER ACTIVE DUTY PHYSICIAN

Fiscal Year	Active Duty	Active Duty Dependents	Retirees and Dependents	Total
64	5.16	4.69	0.62	10.47
65	4.86	4.53	0.63	10.03
66	4.60	3.94	0.65	9.19
67	4.77	3.70	0.69	9.16
68	5.07	3.82	0.76	9.64
69	4.85	3.62	0.81	9.28
70	4.76	3.63	0.93	9.32
71	4.89	3.99	1.21	10.09
72	4.54	4.01	1.38	9.93
73	4.76	4.27	1.67	10.70
74	5.61	4.66	1.99	12.25
75	5.72	4.39	2.01	12.12
76	5.99	4.49	2.27	12.75
77	5.90	4.37	2.36	12.63

Data for Figure 4-4:

PERCENTAGE OF MEDICAL FACILITIES BEDS OCCUPIED BY ACTIVE DUTY PERSONNEL, RETIREES, AND DEPENDENTS

CALENDAR YEAR	ACTIVE DUTY	ACTIVE DUTY DEPENDENTS	RETIREES & DEPENDENTS*
1964	59	24	11
1965	58	24	12
1966	64	20	11
1967	69	17	10
1968	71	15	10
1969	73	14	10
1970	69	15	11
1971	63	18	14
1972	58	20	18
1973	55	20	20
1974	54	21	22
1975	52	21	23
1976	47	23	26
1977	44	23	28

*Includes retirees, retiree dependents and dependents of deceased personnel.

Data for Figure 4-5:

PERCENTAGE OF OUTPATIENT VISITS BY BENEFICIARY CATEGORY

FISCAL YEAR	ACTIVE DUTY	ACTIVE DUTY DEPENDENTS	RETIREES & DEPENDENTS*
64	49	45	6
65	49	45	6
66	50	43	7
67	52	40	8
68	52	40	8
69	52	39	9
70	51	39	10
71	48	39	12
72	46	40	14
73	44	40	16
74	46	38	16
75	47	36	17
76	47	35	18
77	47	34	19

*Includes retirees plus dependents of retirees and dependents of deceased personnel.

Data for Figure 5-1:

TOTAL SELECTED RESERVE END STRENGTHS (000)

FISCAL YEAR	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD
58	394	295	130	46	70	50	985
59	399	314	120	45	71	57	1,007
60	402	301	120	45	71	59	997
61	394	302	130	44	71	64	1,005
62	361	261	111	47	50	58	889
63	361	237	120	46	75	59	896
64	382	269	123	46	73	61	953
65	379	262	123	46	76	46	932
66	421	251	124	49	80	45	969
67	418	262	125	48	84	46	983
68	389	244	123	47	75	43	922
69	389	261	133	49	83	45	960
70	409	261	128	49	90	50	987
71	402	263	130	47	86	50	978
72	388	235	124	41	89	48	925
73	386	235	126	38	90	44	919
74	403	235	115	31	94	46	925
75	395	225	98	32	95	51	896
76	362	195	92	30	92	48	823
77	355	189	90	31	92	50	808

SELECTED RESERVE AUTHORIZED FLOORS AND STRENGTHS
(000s)

Fiscal Year	Congressionally Authorized Floor	Average Strength	Percent
1970	965	964	99
1971	973	972	99
1972	973	931	96
1973	977	926	95
1974	913	914	101
1975	920	905	98
1976	904	863	95
1977	878	812	92

SELECTED RESERVE OFFICER END STRENGTHS (000)

FISCAL YEAR	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD
58	38	53	27	4	8	20	150
59	38	51	25	4	8	21	148
60	37	50	26	4	9	22	147
61	36	51	26	3	9	19	144
62	31	42	23	3	6	16	122
63	34	42	24	3	10	14	128
64	34	41	23	3	10	15	126
65	34	40	23	3	10	11	122
66	34	34	21	3	10	10	112
67	34	35	22	3	11	11	115
68	32	32	21	2	9	10	107
69	30	32	19	3	10	10	105
70	29	35	21	3	11	11	109
71	30	36	21	3	11	11	112
72	33	38	21	3	11	11	117
73	34	41	18	3	12	10	117
74	34	38	18	3	12	10	115
75	34	38	17	3	12	11	115
76	34	36	19	2	11	12	115
77	34	36	18	3	11	12	114

Data for Figure 5-2:

ENLISTED SELECTED RESERVE END STRENGTHS (000)

FISCAL YEAR	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD
58	356	241	103	42	62	31	835
59	362	263	95	41	63	36	859
60	365	251	94	41	62	37	850
61	353	251	104	40	6	45	861
62	330	220	89	43	44	41	767
63	327	195	96	43	65	44	769
64	348	227	101	43	63	46	827
65	345	221	100	43	66	36	810
66	387	217	102	46	70	35	857
67	384	227	103	45	73	36	868
68	357	212	103	44	66	34	815
69	359	229	114	46	73	35	856
70	380	226	108	46	79	39	878
71	372	228	109	44	74	39	867
72	355	197	104	38	78	37	808
73	352	195	108	35	79	34	802
74	369	196	97	29	82	36	809
75	361	187	81	30	84	39	782
76	328	159	78	27	80	36	708
77	321	154	72	28	81	38	694

Data for Figure 5-3:

BLACK STRENGTH AS PERCENTAGE OF TOTAL
(BY RESERVE COMPONENT)

FISCAL YEAR	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD
71	1	2	2	3	1	3	2
72	2	3	3	7	1	3	3
73	3	6	4	13	2	4	4
74	6	7	3	12	3	6	6
75	7	11	4	14	4	8	8
76	11	15	5	16	5	10	11
77	15	20	6	18	6	12	14

Data for Figure 5-4:

WOMEN AS A PERCENTAGE OF TOTAL SELECTED RESERVE STRENGTHS
(BY RESERVE COMPONENT)

FISCAL YEAR	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD
71	*	*	1	*	1	2	*
72	*	1	1	*	1	2	1
73	*	1	1	*	1	3	1
74	1	2	2	1	2	4	1
75	2	7	2	1	3	7	3
76	3	10	3	2	5	8	5
77	4	11	4	2	6	10	6

*Less than half of one percent.

Data for Figure 5-5:

TOTAL DOD SELECTED RESERVE ENLISTED ACCESSIONS (000)

FISCAL YEAR	TOTAL	PRIOR SERVICE	NON-PRIOR SERVICE
70	263	84	179
71	216	114	103
72	245	150	95
73	189	118	70
74	226	180	46
75	219	150	69
76	220	146	74
77	221	150	71

Data for Figure 5-6:

EDUCATIONAL ATTAINMENT OF SELECTED RESERVE NPS ACCESSIONS
(PERCENT OF TOTAL)

FISCAL YEAR	HIGH-SCHOOL GRADUATES*	NON-HIGH SCHOOL GRAD**	COLLEGE GRAD & SOME COLLEGE
70	94	6	54
71	92	8	52
72	85	15	38
73	69	31	25
74	52	48	9
75	62	38	12
76	62	38	11
77	54	46	10

*Includes college graduates and some college.
**Includes G.E.D.

Data for Figure 5-7:

SELECTED RESERVE NON-PRIOR SERVICE
ACCESSIONS BY MENTAL CATEGORY
(PERCENT OF TOTAL)

FISCAL YEAR	I & II	III	IV
70	62	33	5
71	58	35	7
72	51	41	8
73	42	44	14
74	30	46	24
75	34	50	16
76	32	56	12
77	29	60	11

INDIVIDUAL READY RESERVE TOTAL END STRENGTHS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
58	709	401	170	165	1,444
59	699	421	160	169	1,449
60	1,417	410	164	144	1,421
61	733	345	166	149	1,393
62	586	267	113	145	1,111
63	437	184	64	110	796
64	461	210	58	117	846
65	464	204	55	147	869
66	552	213	66	164	996
67	447	220	56	158	880
68	631	205	85	148	1,068
69	820	234	109	181	1,344
70	932	298	146	211	1,587
71	992	280	125	195	1,593
72	1,060	215	138	157	1,571
73	759	217	116	137	1,229
74	541	179	90	122	931
75	363	122	58	88	632
76	241	106	54	83	485
77	160	106	45	64	375

Data for Figure 6-1:

END STRENGTH TRENDS FOR THE TOTAL INDIVIDUAL READY RESERVE(000)

FISCAL YEAR	OFFICERS		ENLISTED		TOTALS	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
58	198	14	1,246	86	1,444	100
59	206	14	1,243	86	1,449	100
60	106	15	1,214	86	1,421	100
61	195	14	1,198	86	1,393	100
62	177	16	934	84	1,111	100
63	160	20	636	80	796	100
64	137	16	709	84	846	100
65	134	15	736	85	869	100
66	133	18	864	87	996	100
67	115	18	765	87	880	100
68	105	10	963	90	1,068	100
69	118	9	1,227	91	1,344	100
70	127	8	1,460	92	1,587	100
71	134	8	1,459	92	1,593	100
72	147	9	1,428	91	1,571	100
73	143	12	1,086	88	1,229	100
74	129	14	802	86	931	100
75	108	17	524	83	632	100
76	100	21	384	79	485	100
77	87	23	288	77	375	100

INDIVIDUAL READY RESERVE OFFICER END STRENGTHS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
58	109	56	9	23	198
59	119	56	10	21	206
60	120	57	10	19	206
61	110	53	9	21	195
62	92	46	8	31	177
63	81	38	7	34	160
64	73	34	5	26	137
65	67	32	5	30	134
66	67	32	5	29	133
67	52	32	3	28	115
68	45	29	3	28	105
69	55	33	3	27	118
70	67	32	4	25	127
71	71	34	4	24	134
72	83	36	4	24	147
73	74	39	5	25	143
74	69	35	6	18	129
75	52	30	5	20	108
76	55	25	5	17	100
77	44	23	4	14	87

INDIVIDUAL READY RESERVE ENLISTED END STRENGTHS (000)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
58	599	345	160	141	1,146
59	580	365	150	148	1,243
60	609	326	154	125	1,214
61	612	292	156	128	1,198
62	493	221	106	114	934
63	357	145	58	76	636
64	388	177	53	91	709
65	397	172	49	118	736
66	485	181	62	136	864
67	395	188	53	130	765
68	586	175	82	120	963
69	765	202	106	154	1,227
70	866	266	142	186	1,460
71	921	246	120	211	1,459
72	977	174	134	133	1,423
73	685	178	111	112	1,086
74	472	144	83	104	802
75	311	92	53	68	524
76	188	81	49	66	384
77	115	83	41	50	288

Data for Figure 6-2:

EFFECT OF INITIATIVES ON PROJECTED ARMY ENLISTED IRR STRENGTH (000)

Fiscal Year	Before Initiatives	SRB Change	Screening Losses	Reenlistment in IRR	Total With Initiatives
58	599	-	-	-	599
59	580	-	-	-	580
60	609	-	-	-	609
61	612	-	-	-	612
62	493	-	-	-	493
63	357	-	-	-	357
64	388	-	-	-	388
65	397	-	-	-	397
66	485	-	-	-	485
67	395	-	-	-	395
68	586	-	-	-	586
69	765	-	-	-	765
70	866	-	-	-	866
71	921	-	-	-	921
72	977	-	-	-	977
73	685	-	-	-	685
74	472	-	-	-	472
75	311	-	-	-	311
76	188	-	-	-	188
77	115	-	-	-	115
78	100	+24	-	-	123
79	93	+43	+12	+3	157
80	103	+42	+27	+6	178
81	101	+50	+41	+9	201
82	101	+50	+55	+9	214
83	108	+46	+66	+8	228
84	109	+48	+70	+9	236

Data for Figure 9-1:

ADDITIONAL COST OF THE ALL-VOLUNTEER FORCE
GATES COMMISSION PROJECTIONS AND GAO REPORTED ACTUAL

(CONSTANT 1970 $ - Billions)

Fiscal Years	Gates Commission*	GAO Report
71 + 72	3.24	1.45 (0.08 + 1.37)
73	2.21	2.68
74	2.03	2.65
75	1.95	2.49
76	1.89	2.29
76T	0.47	0.78
77	1.86	1.98
TOTAL	13.65**	14.32**

*Gates Commission Projection of FY 1971 costs were used for FY 71 + 72 since the pay raise occurred in FY 1972. Costs for FY 73 to 77 adjusted to average yearly strengths of 2.32, 2.21, 2.15, 2.10, 2.09, and 2.08 million manyears.

**Difference = $.67 Billion, 4.9% over Gates Projections

APPENDIX B

HISTORY OF THE AVF DECISION

Few young men in recent decades escaped the influence of the Selective Service System. During World War II, Korea and Vietnam, as well as the years of peace in between, the draft was a continuing fact of life for American youth. While the size of the draft calls varied, men were inducted in the armed forces in all but two years (1947-1948) in the 33 years from 1940-1973. During this period, more than 14.9 million were drafted. Millions more were "motivated" to enlist because of draft pressures, and additional millions were "channeled" into civilian professions and industries through Selective Service deferment policies. In fact, young men made career, education and marriage decisions based in great part on draft pressures.

During the Vietnam war when the merits of the draft and the AVF were being discussed and analyzed, the philosophical differences between the pro-draft and pro-AVF factions became sharply focused on issues of human values, citizen responsibilities and the power of the government. The principal arguments on these issues are shown in Table B-1.

On March 27, 1969, President Nixon appointed a Commission on an All-Volunteer Armed Force, chaired by former Defense Secretary Thomas Gates. 1/ The study was chartered to:

(1) Develop a comprehensive plan for eliminating conscription and moving toward a purely voluntary system;

(2) Study a broad range of possibilities for increasing the supply of volunteers for service, including increased pay, benefits, recruitment incentives and other practicable measures to make military careers more attractive to young men;

(3) Consider possible changes in selection standards and in utilization policies which could assist in eliminating the need for induction; and

1/ The Report of the President's Commission on An All-Volunteer Armed Force, February 1970, U.S. Library of Congress Number 78-605447, U.S. Govt. Printing Office Number 1971 0-449-039.

(4) Study the estimated costs and savings resulting from an All-Volunteer Force, as well as the broader social and economic implications of an AVF program.

To achieve an AVF the Commission recommended, and the President endorsed, three policy changes:

(1) Pay increases for those with less than two years of service. A 75% increase in basic pay as part of a 45% increase in total pay and allowances for junior enlisteds, and a 35% increase in basic pay as part of a 22% increase in total pay and allowances for junior officers;

(2) Comprehensive improvement in recruiting programs and in conditions of military life; and

(3) Establishment of a Standby Draft system in which induction could only be accomplished after joint resolution of Congress upon request of the President.

Congress enacted the necessary basic reforms and draft calls gradually declined to zero. In December 1972, the last draft call was made and on July 1, 1973, Presidential induction authority expired; that is, the AVF began. The abandonment of conscription and the adoption of AVF recruitment policies were major and unprecedented changes. Never before in modern history had a nation attempted to sustain such a large total force without compulsory service obligation. Never before had a nation attempted to recruit 500,000 volunteers a year--nearly 400,000 for the active components and 100,000 for the reserves. This was the challenge of the AVF in the 1970s.

Table B-1

DRAFT AVF ISSUES

Issue	Pro-Draft Arguments	Pro-AVF Arguments
Obligation to Serve	Continued success of nation depends on willingness to accept obligation to serve in the military. Instill in young citizens the concept that they should serve their nation.	People should only be forced to serve in a free society in times of grave national need. Leadership should only adopt policies that reflect desires of citizens. Willingness to volunteer would indicate the level of support for current policies.
Character of Military	End of draft would lead to an alienated and self serving professional military which would be isolated from mainstream of American society	Only junior people are drafted. The senior military force has always been professional and the majority of the military in peacetime has always consisted of volunteers. Thus, the end of the draft would not affect the character of the professional military force.
Equity of Draft	Draft reforms have eliminated most of inequities and further reform would prevent the affluent and well-educated segments of society from avoiding military service	Draft is an unfair tax on those inducted who are required to serve for lower wages than they would earn as civilians. For most of the history of the draft it was unfair because it granted exemptions to students and to fathers that clearly benefited certain segments of society. The lottery system, while establishing equal probabilities of service, is still unfair because only a tiny fraction would be required to serve.
President's Ability to Wage War	The discontent of citizen draftees creates pressure to avoid unpopular wars. Elimination of the draft would erase the source of this pressure	The draft allows the President to increase the size of the military without the consent of Congress. The best form of protest against an unpopular policy is non-participation by not volunteering.

APPENDIX C

SUBJECTIVE CRITICISMS OF THE AVF

This appendix contains two papers prepared for the AVF Study Group. The first summarizes the subjective criticisms of the AVF and puts them into perspective. The second represents the subjective arguments advanced by proponents of the erosion of benefits issue.

SUBJECTIVE CRITICISMS IN PERSPECTIVE

LCDR John R. Thompson and CDR Richard W. Hunter

BACKGROUND

The body of this report has dealt primarily with issues that could be quantified. However, in the discussion that has taken place in recent years concerning the AVF, many issues have been raised that are subjective in nature and either are not readily subject to statistical comparisons or require judgments beyond the data itself.

In a study prepared for Senator Sam Nunn in 1977, William R. King expressed concern about the AVF with regard to a number of issues of this nature. 1/ In several articles, Charles C. Moskos and others have discussed facets of the AVF that defy quantification. 2/

The ABC Television Network presented a documentary special on April 20, 1978, titled, "ABC NEWS CLOSEUP...The American Army: A Shocking State of Readiness" that raised numerous issues of the same type. 3/ Representative Robin Beard (R. Tenn.) sponsored a study by Jerry L. Reed that was, in part, critical of the volunteer Army and dealt almost exclusively in highly subjective opinions and perceptions. 4/ During testimony before the Manpower Subcommittee of the Senate Armed Services Committee on June 20, 1978, a variety of witnesses critized or defended the AVF. 5/ Again, much of the discussion was concerned with aspects of the AVF that are not easily described by statistical measures.

Congressman Les Aspin (D. Wisconsin) addressed the House of Representatives on the subject of the AVF on August 4, 1978. 6/ He presented a considerable amount of quantified data on the subject; but, he too contributed to the dialogue on the more subjective concerns.

ISSUES

The subjective issues generally fall into one of five categories: the quality of the individuals entering the force, the morale of the force, the readiness of the force, patriotism in the armed forces, or the impact of the AVF on society at large. Each category is discussed in more detail in the following sections.

Quality of Volunteers

Perceived Problems

The quality of the individuals enlisting under the AVF has been cited often as a shortcoming of the volunteer Army. The critics assert

that the volunteer Army is less capable than its draft period predecessor. The data shows changes in both directions, as discussed in Chapter 2. The effect of the increase in mental category III-B personnel and the decrease in category I to III-A accessions must be balanced against greatly reduced number of category IV people taken into the military under the AVF. The critics of the AVF tend to concentrate on the reductions in upper quality personnel, while the defendents of the AVF concentrate on the reductions in lowest quality personnel. 7/ The decline in the number of accessions with college experience has also been cited as evidence that the quality of the volunteers is below that of the draft period accessions. 8/ Reading skills have been reported to be on the decline even among high school graduates and the AVF is implicitly blamed for this phenomenon. 9/ Today's volunteers were described by an Army junior officer in testimony before Congress to be immature and to have difficulty retaining basic knowledge and, in some instances, to be unable to communicate in English. 10/ Some critics assert that the increasing role of women, which they attribute to the AVF, has weakened the force. (Many women do have difficulty in performing some of the physical tasks required by some military specialties.) 11/ These alleged quality deficits have been said to be magnified by the increasing complexity of modern weaponry.

Discussion of Quality Problems

These quality centered criticisms do not bear up under close scrutiny. The most significant change in the mental quality of recruits under the AVF has been the sharp decline in mental category IV personnel (down 63% from 1964) as discussed in Chapter 2. These individuals have historically accounted for a disproportionate share of disciplinary and training problems. The slight decrease in category I and II personnel (down 8% since 1964) has had much less impact. For the Army, the decline in mental group IV is 54% and for mental groups I and II is 26%. This 26% is of some concern. The Air Force has actually had an increase in mental groups I and II, such that more than half of their accessions are in these categories. While mental group I and II individuals, who represent the top 35% of the nation's youth, are needed in some specialties, most specialties can be filled with average people and many specialties can be filled very effectively with less gifted persons. Representative Les Aspin (D. Wisconsin) has even argued that the Services are taking too few low mental category personnel. 12/ The same is true with respect to the decline in college experienced accessions since the Vietnam years. The military certainly can benefit from these more educated people, but few enlisted military positions require college training. In many cases, a college educated recruit would probably consider himself to be overqualified for the tasks assigned. In time of war, the percentage of college youth among accessions has historically increased as the military dipped further into the manpower pool. While Chapter 2 showed that today's enlisted force contains more college educated personnel than did the pre-Vietnam peacetime force and that the percentage is increasing under the AVF, the number of accessions with college experience is lower than during the peacetime draft.

The reading skill problem has been recognized by the Department of Defense. Despite maintaining the percentage of recruits with a high school diploma, there has been an increasing perception that many recruits are unable to adequately understand training manuals and other written material. The extent of the problem is difficult to quantify. However, the Services are developing an adaptation of the standard entrance examination which will specifically measure reading and writing skills. This problem is not unique to, nor caused by, the AVF. It is the result of changing educational performance in society and probably would be exacerbated by a return to conscription with the associated increase of personnel in the lower mental groups.

With respect to the ability of women to meet the physical demands of military service, even the highly critical Beard Report found that the young male soldiers interviewed tended to be complimentary of the job performance of female soldiers and the Women Content in the Army study found that units with women performed as well as all male units. 13/ The Services are developing realistic physical standards for the various military occupations to ensure that people who do not meet the standards, male or female, are not assigned to them. This is a much better solution to the female strength issue than gender-wide prohibitions on assignments.

Weapon systems have become steadily more complex, but technology also has provided modular maintenance techniques that tend to simplify the maintenance and repair of the systems. Any disparity between the capabilities of today's recruit and the complexity of his weapons should be solved by improvements in weapon designs that more realistically assess operating and maintenance personnel capabilities and reflect greater concern for the human factor. As Representative Les Aspin pointed out, a return to the lower quality standards under a draft would only intensify these problems of over-complex systems:

> "There are frequent reports from the field saying that the recruits are too dumb to understand and handle complicated weapons. If the recruits today can not handle the weapons, the recruits in wartime will never be able to... a wartime force must always dig deeper into the category IV supply. The solution is not to malign the recruits; it is to take the user into account when the weapons are designed." 14/

While this study has shown that overall quality levels are higher under the AVF than they would be under the draft, the study group does agree that efforts are needed to encourage more college bound youth to serve a tour in the armed forces. But the cost of such incentives must be balanced against other priorities competing for the same resources. For example, the G.I. Bill educational program was a very generous scholarship, but it would have cost $1.5 billion per year--more than

the entire recruiting budget today. Since the armed forces under the AVF are drawing more than a representative share of quality personnel, increasing quality levels would be very expensive. However, it may be desirable to have better balance of high quality accessions among the Services.

Morale of the AVF

Perceived Problems

The morale of the AVF has become a subject of interest to the media and the critics of the all-volunteer concept. The Service Times newspapers that are directed at the specific Service communities have printed numerous editorials warning of the impact on morale of various proposed policy changes which were viewed as "erosion of benefit" issues. 15/ Various observers have reported that, on the basis of their discussions with military personnel, they have concluded that many individuals in the military are not satisfied with the quality of military life. 16/ The ABC documentary reported that soldiers in Germany live below the poverty level. 17/ The Beard Study reports that although the Army enlisted personnel interviewed were opposed to a military union, they would feel justified in a union movement if there was a continuation of the "erosion of benefits" that they perceive. 18/

King cites as evidence of low morale under the AVF both the increased first-term attrition and the increased percentage of discharges that are in the categories of less than honorable. 19/

Recruiter abuse is reported to be causing morale problems among volunteers. The Beard Study states that 98% of the personnel interviewed felt that they had been exploited by their recruiter because of verbal promises that were not kept. 20/ Morale is reported to be suffering as a result of individuals frequently being trained for one specialty but actually working in a different one. 21/ Observers of the military have claimed that there is considerable dissatisfaction among officers, noncommissioned officers, and junior enlisted personnel as a result of what they perceive to be ineffective discipline. 22/

Discussion of Morale Problems

Charges that the morale of a military organization is low cannot be taken lightly. At the same time, when the bulk of the evidence presented to support an allegation of low morale is derived from conversations with people in the organization, it must be evaluated with caution. Grousing is a time honored part of the military tradition. In fact, there is an old military adage that says that you had better start worrying about the troops when they stop complaining. There is no performance data to indicate that American troops would not respond well. The opposite is the case. Even critics have testified that the front line troops will fight. 23/

The perception of military personnel that they have been the victim of a persistent erosion of their benefit package is a serious

problem, in spite of the fact that there is little raional justification for this view. Also in this appendix is a paper developed by the senior member of the All-Volunteer Task Force, Colonel William Wright, USA, that addresses this erosion of benefits issue. The view that he presents is not uncommon in the military. Many individuals, officer and enlisted, feel that the quality of life in the military is on the decline. Arguments to support this view, such as that developed by Wright, are generally predicated on the assumption that any management or policy decision that, for any reason, resulted in a decreased payment or reduced level of service for any military member represents a breach of faith by the government. New or replacement benefit items are rarely considered as offsetting the reductions. They are considered justified in their own right. For example: The elimination of the regular reenlistment bonus that used to be paid to all personnel regardless of skill is cited by Wright as a major lost benefit, but its replacement, the selective reenlistment bonus that has actually resulted in more total money being paid to reenlistees, is not mentioned.

Dependent travel entitlements in CONUS have been extended to include personnel in paygrade E-4 with two rather than four years of service.

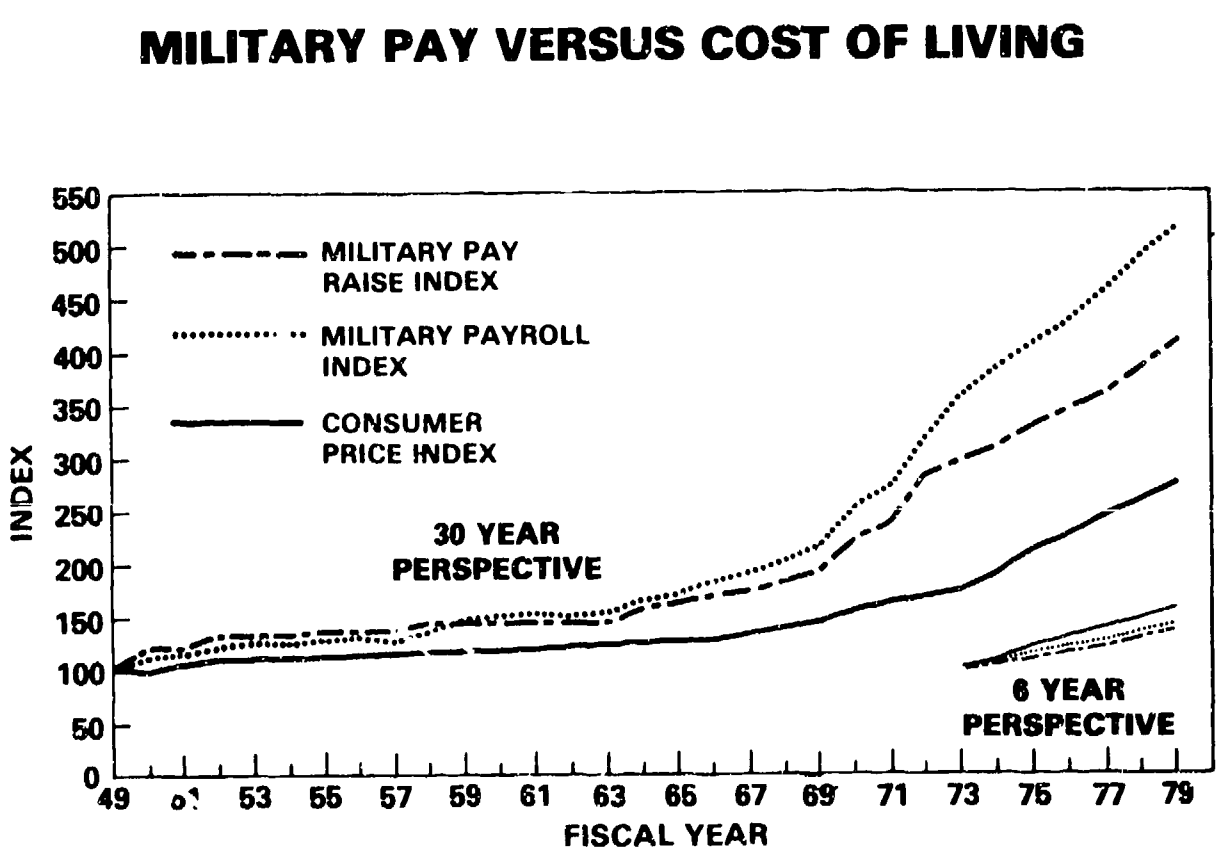
The fact that Congress has recently passed legislation that will provide travel allowances for the families of junior enlisted personnel overseas is not even mentioned.

The termination of the G.I. Bill program for post-service educational assistance is also often cited as a significant benefit loss. However, the fact that the G.I. Bill was always a wartime benefit is ignored. The G.I. Bill was terminated after WW II and again after Korea. While the generous wartime G.I. Bill was eliminated in January 1977, new educational programs have been created to assist the servicemembers in advancing their education. However, these programs are usually left out of benefit discussions. On-duty educational programs (such as Army's Project Ahead) allow selected personnel to receive college training and credit while in uniform. The Veterans Educational Assistance Program (VEAP) is available to all service personnel. Under this program, the government will match an individual's educational savings on a two for one basis for off-duty or post-military education up to a maximum of $5,400. DoD is testing government contributions for educational assistance that are even larger than the two for one match.

The basic coverage of the Serviceman's Group Life Insurance has been increased from $15,000 to $20,000 at no cost to the member, but it also is frequently not considered in erosion of benefit discussions.

Perhaps most important, the large increases in military pay in the last twenty years are omitted in most discussions of trends in military benefits. Figure 1 contains two sets of curves, one set of pay and cost of living indices with FY 1949 as base year and a similar set of indices with FY 1973 as the base year. The cost of living index displayed is the Consumer Price Index. Two pay indices are shown. The lowest is the the DoD index for basic pay and allowances. It is based on pay increases only and is independent of grade structure changes. The second index also includes the acceleration in promotions that has occurred. The first set of curves show that over the long run military pay has steadily pulled ahead of the cost of living. Military pay has increased by a factor of 515 since 1949, while the cost of living has increased by a factor of 278.

Figure 1



This means that an individual in the military today, at the end of a thirty year career, has seen military pay grown almost twice as fast as the cost of living during his career. Even if the effects of changes in the grade structure are ignored, military pay has increased 1.5 times more than costs of living during this individual's career. Military pay has increased faster than the cost of living over any period starting in any year between 1949 and 1972 and ending at present.

The opposite is true for any period starting after 1972. Since 1972, military pay has lagged the cost of living. This can be seen from the second set of curves in Figure 1, with FY 1973 as the base year. During the interval from 1973 to the present, military pay has increased by a factor of approximately 1.4, by either pay index, while the cost of living has increased by a factor of approximately 1.6. Consequently, an individual entering the military since 1972, and that includes about 70% of the force, could conclude that his pay has not kept up with the cost of living. A more senior person may well take a "What have you done for us lately" view and reach the same conclusion. It should be noted that any one individual, because of promotions and longevity pay raises (based on years of service), has probably seen his income grow during these periods by more than the pay indices indicate. However, the individual's pay since FY 1972 has lagged the cost of living to the extent that he expected these promotions and longevity pay increases to have a certain buying power.

The cost of living problems being experienced by U.S. forces overseas, especially in Germany and Japan, are a cause for concern. To a large extent, these problems are beyond the power of the Department of Defense to correct. However, steps are being taken to ease the burden on enlisted personnel overseas. These include housing and cost-of-living allowances which are adjusted in response to changes in the currency exchange rates and surveys of housing and other living costs.

In addition, the Department of Defense already has requested several legislative initiatives including authorization to pay junior enlisted family travel pay, to pay housing allowances in advance, to extend family separation allowances to junior enlisted personnel, and to extend the eligibility for low-income tax credit to members of the uniformed services stationed overseas. Various other improvements that are sponsored under the Enhancement of Life Support in Europe program also should ease the burden of overseas duty. These proposals would help morale and reduce attrition, which is the one aspect of the AVF which was badly predicted by the Gates Commission and others supporting the move to an AVF, and has been attacked by King and others pushing for reinstatement of some form of compulsory service.

Some of the increased attrition that has been observed under the AVF is of concern to DoD and actions are being taken to lower it; however, the capability to reject early those individuals who do not measure up to Service standards is considered desirable and has had a net positive effect on morale. During the draft years, it was often necessary to retain malcontents and poor performers because of fears that

their release from duty would be considered as rewarding poor performance and would encourage others who were serving involuntarily to seek a similar escape. Simple justice required that when some were being forced to serve against their will others could not be excused simply because they did not adapt to the service. As a result, incarceration was frequently selected as the solution to a malperformance problem rather than early release.

While this reduction in confinement and increased use of early release programs for poor performers under the AVF has helped morale, the need to meet recruiting quotas has greatly increased the pressures on recruiters and has led to increasing complaints of recruiter abuse. The Department of Defense is concerned that promises and guarantees made by recruiters be kept. To this end, a Joint Service Task Force was formed in November 1977 to review, simplify, and standardize enlistment documents. As a result, a new Enlistment Contract was distributed to the field in October 1978. The Department of Defense believes that this new contract will markedly reduce the frequency and severity of complaints of abuse.

A separate study of administrative discharges by a joint-Service study group was completed in August 1978 and is under review by the Services and OSD. 24/

Readiness of the All-Volunteer Force

Perceived Problems

There has been considerable criticism, most of it subjective, regarding the readiness of the AVF for war. Concern has been expressed that the average recruit is not receiving adequate individual training and that, as a result, there is an excessive burden on the units for on-the-job training. 25/ It has been charged that the AVF has resulted in a force with a much higher percentage of young married personnel and that, as a consequence, the Army leadership has been swamped by social welfare problems. 26/ These are reported to include items such as family indebtedness, child abuse, and family desertion. 27/ Concern has also been expressed that there has been an increase in the number of unmarried parents and families with both parents in the military and that this will result in child care problems that will reduce unit effectiveness during periods of crisis or war. 28/

The increased employment of women by the military has generated concern that the military effectiveness of the Services will be damaged as a result of the disruption of the group relationships that develop in military units. The anticipated problems include such things as fears that sexual integration will result in decreased group solidarity, particularly on ships and in combat units, and that the reaction of the wives of military members to the integration will be negative with possibly adverse effects on retention. 29/

Discussion of Readiness Problems

The concern that training reductions have adversely affected readiness is not really an AVF issue. In any system, draft or all-volunteer, DoD would strive for the most economical way to effectively train its manpower. The funding of training programs has been the subject of close scrutiny by the Services, DoD, the Congressional Budget Office, the Office of Management and Budget, and Congressional Committees. The concensus of opinion has been that a significant reduction could be made in the Services' training programs with a greater share of the training being assumed by the units. As a result, recent Service budgets have reflected reductions in funding for training programs. Unit commanders have assumed greater responsibility for training. There has been some dissatisfaction expressed by the Services with this change. Such criticism may be valid; however, because the new methods in training are in the process of implementation and testing, it would be premature to evaluate the impact of the changes on unit readiness. DoD recognizes, however, that these changes must be carefully monitored and evaluated. If negative effects are noted, a return to some or all of the previous training policies may be accomplished with no change in the status of the AVF.

The number of junior enlisted personnel who are married has increased in recent years, in large part because with the 1972 pay readjustment they could afford it. This has resulted in an increase in family related problems. However, the married individual is reported to be more responsible and less prone to creating disciplinary problems than the young unmarried enlistee. Commanders generally state a preference for married personnel in spite of the family oriented problems. 30/

The need to provide child care for single parents and families with both parents in the military is similar to the everyday problems in society at large. The readiness requirements for deployment on short notice for indefinite and prolonged periods are unique to the military. While the individuals involved know their mobilization and crisis deployment responsibilities and are directed to make provisions for the care of their dependents, the growing number of members in these categories is a concern. The problem is not primarily an AVF or a woman problem. For example, there are many more single male parents than female and the problem predates the AVF, but it is a growing problem that needs attention.

The increasing number of women in the military has other implications. There is concern about the effect of women on the group dynamics essential for an effective military organization. However, as stated by Binkin and Bach:

> "It is important to point out that an understanding of the behavior and performance of men in groups, particularly under combat or sea duty conditions, is far from complete; an understanding

of the behavior of women under these conditions is very small; and precious little is known about the effects of combining men and women." 31/

Sociologists talk about a "male-bonding" theory that men have a tendency to join together in male only organizations, especially those that deal with aggression such as politics, war and police work. For example, sociologist Lionel Tiger argues, "not only will males and females reject other females as potential leaders and defenders, but that males will reject females as colleagues." 32/ Admiral Worth Bagley expressed that concern in testifying before Congress in 1975.

> "Since the inception of the Continental Navy, later the U.S. Navy, traditional male domination of warfare and seafaring has continued. Only recently has there been pressure for change. The naval profession--specifically the business of going to sea--has been advertised as, and accepted as, a closed club for men.
>
> The present male-dominated, sea-going facet of Navy life is one that is understood and accepted by the country and the men in the Navy. Men join the Navy for many different reasons; however, a certain portion join and remain in the Navy because they enjoy being in a job which has been historically associated with fellowship among men in a difficult and dangerous endeavor. Changing the fabric of the Navy Navy by integrating women into all combat roles might well reduce the attractions of the Navy to this segment of mankind as well as to some of those men who might, in the future, join the Navy and make it a career." 33/

While this male-bonding theory seems to explain past behavior, it is not supported by recent experience. In 1972-1973, 53 enlisted women (about 12% of the crew) served abord the USS SANTUARY in all of the major departments. The report of the experiment concluded, "Women can perform every shipboard function with equal ease, expertise, and dedication as men do... and may serve on board the USS SANTUARY ... in perpetuity." 34/

The MAXWAC study found no difference in the performance of company level Army support units during 72-hour field exercises with female contents ranging from 0% to 35%. During the major month-long NATO REFORGER Exercise in 1977, the Army studied both individual and unit performance during sustained field operations and found, "the presence of women soldiers... did not impair the performance of support units...

(The tests) provide strong evidence that EW (enlisted women) can adequately perform their MOS-related duties in a REFORGER type field exercise." 35/ These tests are about as close to actual combat as it is possbile to simulate in peacetime. Of course, they are not combat, and the final test of any military organization can only be made on the battlefield. However, these tests, combined with the limited historical experience of women in combat, gives assurance that our forces with women are at least as effective as they would be if there were no women. Considering the higher enlistment standards required of women, the forces may be more capable than they would be with men only.

The Army tests have served to clear the air and make it possible to address, openly and directly, the concerns of field commanders that units with large numbers of EW may have reduced combat readiness..." 36/ Women have been serving effectively alongside men in the military for forty years, including three wars, and over thirty years under the draft.

The nationwide experience of police and fire departments reinforces the military's conclusions and tends to refute the "male-bonding" theory.

Perceptions are important and there is evidence that wives of military members oppose the increasing role of women. Again, military experience indicates that the concern conjured up in anticipation generates more adverse reaction than is present after implementation. However, the concerns of the families of military members must be taken seriously and are an important part of many career decisions.

Patriotism

Perceived Problems

Probably the most sweeping allegation with respect to the AVF is the suggestion that today's volunteer is less dedicated than was his draftee counterpart simply because he is better paid. This accusation comes in phrases such as "redefinition of military service in terms of the economic marketplace" 37/, or "...most recruits view military service as just a job; the concept of duty, honor, and country as a motivation for service has little meaning" 38/, or a fear of a developing "... classical employee-employer relationship." 39/ In the same vein, Senator Nunn is concerned that "... life in the military is becoming a job, not a service." 40/

Discussion of Patriotism Problems

The argument that, because of the increased pay for junior personnel under the AVF, today's volunteers are less motivated by patriotism than they would be under a draft is simply illogical. The youth of today may or may not be less patriotic than those of other decades; but, the essential point is that under either the draft or the AVF, the

military will take all the qualified young men who are motivated to enlist by patriotism. Moreover, neither the draft nor the AVF can rely on patriotism alone to attract personnel. The alternatives are to attract youth to the military by maintaining the pay and quality of military life at levels that are competitive with other occupations or to force youth to serve by coercion through some form of a draft. It is not realistic to expect that draftees serving involuntarily will exhibit a higher degree of motivation or patriotism in peacetime. Our most recent experience with the draft certainly does not suggest that conscription fosters patriotic feelings among the nation's youth.

Moskos has expanded on this "lack of patriotism" theme. He characterizes it as a trend on the part of military personnel to view the military as an occupation to meet self interests rather than as an institution with a sense of "calling" and sacrifice. 41/ As evidence of this trend, Moskos cites the termination of the draft, the rise in military pay, the substitution of higher pay for service entitlements (erosion of benefits), the increased enlisted interest in unionization of the military, the higher first-term attrition, the decreased proportion of junior enlisted personnel residing on base in barracks, the reduced participation of the wives of career military men in social or "volunteer" functions, the increased use of contractor personnel, and recent judicial decisions narrowing the purview of the military justice system and recognizing certain contractual rights of enlistees. 42/ While this evidence may suggest the existence of such a trend, it certainly does not lead to the conclusion that the AVF is the cause of it. Many of these trends were in evidence long before the AVF decision. However, they do suggest that the military reflects trends that are taking place in society as a whole and that the military can adapt to sociological changes in the larger population.

The implication that the draft fostered the ideals of duty, honor, and country is hard to accept. To many draftees, the "calling" came from no higher than the local draft board and was based more on a desire to avoid punishment than any sense of patriotism. This is evidenced by the humor of World War II and Korea and by the hostility that developed during the later years of the draft between the draftees and the career force personnel who were referred to disparagingly as "lifers." The career force has always been volunteers and generally is more interested in patriotism. Nor is it clear that the low pay given to enlisted personnel during the draft era contributed to the development of any patriotic sentiment on their part. While there has been increased discussion of unionization in the military, that again reflects the attitudes of society.

In spite of the fact that their professions are providing essential services and were previously considered to be immune to labor organization trends, in recent years there have been strikes or work slowdowns by physicians, nurses, policemen, firemen, teachers, and postal workers, among others. It is not surprising that the issue has surfaced in the military. What is more important is that fact that it

has been rejected by rank and file and by the unions.

To a large extent, military service should build patriotism, not start with it. In peacetime that is more difficult than during a war of national survival, such as World War II, but it is occurring on a daily basis. All of the evidence indicates that today's active force will stand up to any enemy and today's reserve force is perhaps more highly motivated and dedicated than any draft motivated reserve in history. But overt patriotism is generally played down in today's society and the military reflects those norms. Perhaps the nation is better off with a military that fights well, rather than one that cheers well.

Fighting well has been the American tradition; but as pointed out by Robert Sherrod, an American newsman, so is engrandizing past generations of soldiers and maligning the current generation. He asked a companion, an Army General, a friend of many years, what his opinion of the American soldier was. The General became depressed and said, "I'm afraid the Americans of this generation are not the same kind of Americans who fought the last war." 43/ That conversation took place in August of 1942, not 1978. He was comparing the soldiers of World War II with those of World War I. The tendency to underrate the current generation's partriotism and ability, and overrate that of previous generations is still alive and well.

Societal Effect

Perceived Problems

Certain issues have been raised concerning the impact that various AVF policies are having on society in general. Observers have noted that the percentage of blacks in the Army has increased considerably under the AVF and is presently well above the black percentage of the national youth population. The critics argue that this situation is unsatisfactory, either because they are of the opinion that it is inherently inequitable to have a segment of society over or under represented in the military, or because they fear that blacks will carry a disproportionate share of the casualty burden in the event of a war. 44/

Discussion of Societal Effects

The fact that the percentage of blacks is rising in the military is primarily the result of three factors: the number of blacks eligible for military service has risen dramatically in recent years, black youth unemployment has been considerably worse than white youth unemployment during recent years, and the Army has succeeded as an equal opportunity employer. Blacks perceive that they have not only good job opportunities but also good advancement opportunities in the Army. The overrepresentation of blacks is caused, to a great extent, by a lack of opportunity for blacks in the civilian sector job market. Neither society nor blacks would benefit by placing quotas on the number of qualified blacks permitted to serve careers in the military.

The black casualty issue is of concern in the event of a war involving extensive casualties. The image of black men dying for a white man's war could lead to very serious societal problems. One solution is to avoid excessive concentration of blacks in combat arms skills. The Army is seeking incentives that attract white middle class youth to combat arms. The test of the two-year enlistment for combat arms and larger educational incentives would both move in that direction. Congress' express purpose in requesting the test was to determine if these incentives would open a new market of college bound youth. If successful, it also would help avoid an excessive concentration of black youth in the combat arms. In a major war the AVF forces soon would be augmented by a draft that would almost certainly ensure that the casualty burden would be spread over society more evenly.

PERSPECTIVE

Much of the subjective criticism of the AVF tends to blame the voluntary nature of the military system for all of the defects observed or perceived. This leap from observation of a problem to a "cause and effect" conclusion blaming the voluntary nature of the force for the problem is unfortunate. Rarely is the leap supported by the data. Often the defect would not be eliminated by returning to a draft. The subjective criticism is generally limited to observations of present conditions with no attempt to describe trends over time. As a consequence, problems that pre-date the AVF and in many cases were, or would be, worse under draft conditions are attributed to the voluntary features of the AVF. In recent testimony before the Subcommittee on Manpower and Personnel of the Committee on Armed Services of the Senate, the late Representative William A. Steiger (R.-Wisconsin) graphically pointed out the dangers inherent in drawing simplistic cause and effect conclusions from a one-time, subjective look at military units:

> "I would like to share with you the findings of study I have made regarding the state of the Army. In pursuing this matter, I visited three installations: Fort Meade, Fort Gordon, and Fort Hood. My goal was to talk to the commanders and troops, in headquarters and in the field, in order to gain insight into their views on Army life and the readiness of our force.
>
> To enhance my ability to get at the facts I arrived unannounced at each post, making a brief courtesy call at the post headquarters, and then spent several intensive days talking with personnel at all levels of the Army. The following material highlights some of the major recurring themes I encountered:
>
> Volunteers repeatedly said that recruiters had misled them as to job opportunities and assignments.

Dependents stated that medical care was difficult to obtain and, when given, was delivered in a callous and impersonal manner.

Experienced commanders stated that discipline had never been worse; that rates of courts-martial, article 15's and absences were at all-time highs.

Units were often unable to train due to the absence of key personnel.

Senior enlisted men complained that the quality of troops had declined significantly and that the growing number of individuals in mental group IV had made training and discipline nearly impossible.

Personnel at all levels complained that crimes of violence had seriously eroded the quality of life on post; at one installation, I was warned to avoid numerous areas on post after dark because they were dominated by the criminal element.

Medical personnel told me of rampant drug abuse.

Facilities were in a general state of disrepair; barracks were characterized by severe deterioration of the plumbing, as well as the outside structure; gyms and recreation facilities were not only structurally deficient, but also lacked adequate equipment; soldiers frequently complained about the lack of off-duty activities and an inability to get to a major city for entertainment.

Mr. Chairman, these views simply highlight the more serious problems that I found. My tour was not made in 1978, but in 1971, at the height of the draft. I bring these matters to your attention to place into perspective critiques of the Volunteer Army. For such criticisms to be fully appreciated, it must be recognized that problems are generated by the large, bureaucratic organization that is our Army, whether it be volunteer or drafted. The young people from Wisconsin -- and Georgia and Tennessee-- who join the Army today are no less willing than their predecessors to tolerate unsatisfactory conditions.

I would like to commend my colleague, Mr. Beard of Tennessee, for sponsoring an in-depth study of today's Army. There is much in his report that I can

agree with, because it reflects my own study of the Army during the draft. Indeed, any of us who served as Members of Congress during the draft era know of these problems because we have voluminous caseworker files filled with allegations of recruiter malpractice, command abuse, inadequate equipment, poor facilities, and a multitude of other problems. Some were verified, others were not. But the point to remember is that because such difficulties predate the AVF, they cannot be cured by a return to the draft." 45/

A return to a draft is no panacea for the problems of today's military. In many cases a conscripted armed force would have even more serious problems than today's AVF. It is very easy to remember the past as better than it was and see tomorrow's mountains as steeper than they turn out to be. Subjective judgments are particularly susceptible to these distortions.

FOOTNOTES

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Charles W. Brown and Charles C. Moskos, "The American Soldier-Will He Fight? A Provisional Attitude Analysis," Military Review, Vol. 56 No. 6 (June 1976);

Charles C. Moskos, "From Institution to Occupation: Trends in Military Organization," Armed Forces and Society, Vol. 4, No. 1 (Fall 1977); and

Charles C. Moskos, "The Enlisted Ranks in the All-Volunteer Army," The All-Volunteer Force and American Society, ed. John P. Keeley (Charlottesville: University Press of Virginia, 1978).

3/ ABC Television Network, "ABC NEWS CLOSEUP. . .The American Army: 'A Shocking State of Readiness'" (April 20, 1978).

4/ Jerry L. Reed, The Beard Study: An Analysis and Evaluation of the United States Army, a study prepared for Representative Robin Beard (R. Tennessee), published as appendix to Hearing before the Subcommittee on Manpower and Personnel of the Committee on Manpower and Personnel of the Committee on Armed Services, United States Senate, 95th Congress, Second Session (June 20, 1978).

5/ U. S. Congress, Senate, Subcommittee on Manpower and Personnel of the Committee on Armed Services, Status of the All-Volunteer Force, Testimonies of Representative Robin L. Beard (R-Tennessee); Representative William A. Steiger (R-Wisconsin); Dr. John P. White, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics; Lieutenant General DeWitt C. Smith, Jr., USA, Deputy Chief of Staff for Personnel, United States Army; Charles C. Moskos, Jr., Professor of Sociology, Northwestern University; Colonel William C. Chamberlain, USA, Inspector General, Eighth Army, Korea; Lieutenant Bruce Jette, USA, Assistant Adjutant, 11th Armored Cavalry Regiment, U.S. Army, Germany (June 20, 1978).

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8/ Ibid, Testimony of Charles C. Moskos, p. 39;

Ibid, Testimony of Colonel William C. Chamberlain, USA, Inspector General, Eighth Army, Korea, p. 14;

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9/ Senate Subcommittee on Manpower and Personnel of the Committee on Armed Services, Status of the All-Volunteer Force, Testimony of Representative Robin L. Beard (R-Tennessee), p. 92;

Ibid, Testimony of Colonel William C. Chamberlain, USA, Inspector General, Eighth Army, Korea, p. 15;

Ibid, Testimony of Lieutenant Bruce Jette, USA, Assistant Adjutant, 11th Armored Cavalry Regiment, Germany, p. 17; and

Reed, pp. 136, 156, 173, 217, 223.

10/ Senate, Subcommittee on Manpower and Personnel of the Committee on Armed Services, Status of the All-Volunteer Force, Testimony of Lieutenant Bruce Jette, USA, Assistant Adjutant, 11th Armored Cavalry Regiment, Germany, pp. 18, 21, 22.

11/ Ibid, Testimony of Representative Robin L. Beard (R-Tennessee) p. 6; and

Martin Binkin and Shirley J. Bach, Women and the Military, (Washington: The Brookings Institution, 1977), pp. 80, 81.

12/ Aspin, p. H7916.

13/ Reed, p. 215;

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15/ Service Times refers to the Army Times, Navy Times, and Air Force Times, newspapers published weekly by the Army Time Publishing Company, Washington, D.C.

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17/ ABC Television Network, "ABC NEW CLOSEUP. . .The American Army. A Shocking State of Readiness."

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19/ King, p. 42.

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Charles W. Brown and Charles C. Moskos, "The American Soldier" Will He Fight? A Provisional Attitude Analysis," Military Review, Vol. 56 (June 1976), p. 16; and

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29/ Binkin and Bach, pp. 72, 89-96.

30/ Senate, Subcommittee on Manpower and Personnel of the Committee on Armed Services, Status of the All-Volunteer Force, Testimony of Dr. John P. White, Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, pp. 65, 71.

31/ Binkin and Bach, p. 89.

32/ Lionel Tiger, Men in Groups (London: Thomas Nelson and Sons, 1969) pp. 84, 85.

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37/ Senate, Subcommittee on Manpower and Personnel of the Committee on Armed Services, Status of the All-Volunteer Force, Testimony of Charles C. Moskos, p. 38.

38/ Ibid, Testimony of Representative Robin L. Beard (R-Tennessee) p. 4.

39/ Ibid, Testimony of Jerry L. Reed, p. 8.

40/ Sam Nunn, "National Security with the All-Volunteer Force; AVF - A Verified Fact or a Visible Fiction," An All Volunteer Force for theUnited States, AEI Defense Review, p. 16.

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MORALE

Col. William J. Wright, USA

Difficult to quantify, the morale or "esprit" of an organization may vary depending upon the perception--both real and perceived--of its individual members. If morale appears to be low, a commander has certain discretionary authority which he may exercise to take corrective action. Local in nature, his authority is usually limited to ensuring individuals are properly trained and working in their respective military occupational specialties and, in general, taking a personal interest in the welfare of his people (to include their dependents).

There may be, however, adverse conditions in his command over which a commander has little or no control. For the most part, these conditions are the result of actions taken by the Congress, as well as policy decisions emanating from OSD and individual Service headquarters. Inadequate dental and medical care, insufficient and/or poorly maintained barracks and dependent housing, reductions in post services and facilities, and a lack of pay comparability with the civilian sector are examples.

If the volume of correspondence to the White House, the Congress, Veteran's organizations and newspapers serving Armed Forces personnel are an indication, officers and enlisted personnel are reporting that one or more of these conditions exist in varying degrees throughout CONUS and overseas installations. Viewed as an erosion of benefits, they are becoming a matter of grave concern among commanders and Service managers, particularly in regard to their effect on unit readiness.

In some cases, perceptions by service personnel of a further erosion in benefits are heightened by newspaper and television coverage spotlighting the inordinately high percentage of defense dollars devoted to personnel matters and the recommendations of special commissions and study groups--both within and external to the military community -- which address ways and means of reducing these costs in the near term and in the distant future. Although few of these recommendations have reached the leislative stage, the history of benefit erosion since 1974 has convinced a significant number of service personnel and their dependents that there is every reason to believe the majority of these proposals will be implemented.

A review of the chronology of events since FY 1974 pertaining to personnel programs that impact financially and otherwise on the serviceman and his family assist in relating the extent to which Congress, OSD and other agencies have altered certain benefits since conception of the All-Volunteer Force. Regulatory changes in benefits and compensation initiated by the Services are illustrated by using the Army as an example.

DEPARTMENT OF THE ARMY

Charges for Recreational Services

Prior to 1974, most recreational activities were free (except for golf and bowling). Beginning in 1974, appropopriated fund and supplementing non-appropriated fund support were inadequate to meet program needs. Local commanders were given authority to impose reasonable fees and charges to fund the program.

Regular Reenlistment Bonus (RRB)

The RRB was designed to provide every soldier with a maximum $2000 reenlistment bonus within a 20 year career. It was not tied to any specific skill. Studies found that the RRB was not cost-effective in overstrength skills and that the money could be better utilized in paying reenlistment bonuses only for soldiers serving in skills which were experiencing retention problems. DA began phasing out the RRB effective 1 June 1974 in favor of the Selective Reenlistment Bonus (SRB).

OSD

Space Available Travel

OSD and the Services, due to Congressional criticism, have increased seat utilization on DoD owned and controlled aircraft, thereby reducing space avalable seats for standby passengers.

Medical Benefits for Retirees and Dependents

The military member perceives health care entitlements to be one of the single most important career incentives. Reductions in the peacetime authorization of Medical Corps and Army Nurse Corps personnel have limited services, which in turn have increased out-of-pocket costs to the soldier and his family. The reductions have also caused personal inconvenience, delayed the receipt of health services, and resulted in loss of benefits that were expected upon retirement. This subject is discussed later in greater detail.

CONGRESS

Survivor Benefit Plan Inequities

The Survivor Benefit Plan (SBP) replaced the Retired Serviceman's Family Protection Plan (RSFPP) on 21 Feb 1972. Although the SBP was patterned after the Civil Service Annuity Program, it contained inequities which have not been corrected. Legislation was enacted by the 94th Congress to correct some of these shortcomings; however, other

needed SBP changes were omitted by Congress due to time limitations.

Enlisted "Bootstrap"

Enlisted personnel were authorized up to six calendar months to complete an associate degree and up to 18 months to complete baccalaureate degree. The program was terminated by Congress effective January 1975. This, combined with Congressional termination of the enlisted fully-funded program during FY 1976, has resulted in the Army having no formal civil schooling programs for enlisted personnel.

Project Transition

Begun in 1968 to provide soldiers with marketable skills through on-duty training, Project Transition was terminated by Congress on 31 May 1974. Termination was based on (1) the high cost of the program, (2) noncontribution to the Army mission, (3) soldier loss to the Army during skill training, and (4) program emphasis on civilian employment instead of reenlistment.

Uniform Services Saving Deposit Program

Public Law 89-538, approved 14 Aug 66, authorized members who were serving outside the U.S. to deposit up to $10,000 is Soldier's Deposits with an interest rate of 10% per year, compounded quarterly. The program was phased out by Congress on 30 June 1974.

Reduction in Airborne Positions

The House Appropriations Committee directed a reduction of airborne positions from 32,642 to 27,500 effective 1 April 1974. While the Army did not appeal this action since it was based on a decision in the use of airborne tactics, the reduction did result in the loss of $55 per month for enlisted personnel, and $100 per month for officers in 5,142 previously identified airborne positions.

OTHER AGENCIES

The impact of the erosion of benefits has been further intensified by a range of primarily administrative initiatives emanating from numerous offices and agencies of the government, examples of which follow:

Elimination of 50% Military Air Fare (CAB)

50% Standby Fares for service members in a leave status were changed by the airlines with the approval of the Civil Aeronautics Board to a 75% Leave Fare.

Constraints on Changing Overseas Tours and Reduction of Double Interim Moves (GAO)

Both of these actions were designed to reduce the number of moves of dependents associated with the overseas assignment of the service member. In the first case, the member must commit himself on the location of his dependents for the duration of his tour. In the second case, if a member is assigned to a "with dependents" tour overseas and will have his dependent travel deferred, he cannot relocate his dependents and household goods at Government expense on an interim basis.

DEPARTMENT OF THE ARMY

Shortage Specialty Pro Pay

Eliminated in 1975 in favor of the Selective Reenlistment Bonus (SRB). While the money was better used in the SRB program to pay only those soldiers serving in skills which were experiencing retention problems, it resulted in fewer people being paid extra money for specialty skills in general and was regarded as a loss in benefits by the average soldier.

OSD

Superior Performance Pay

This program, which awarded $50 per month on a competitive basis to the top 20% of soldiers in combat skills and to the top 10% of soldiers in combat support skills, was terminated by DoD at the direction of Congress on 31 June 1975, resulting in a direct loss of pay to those effected.

Day of Grace Termination

Prior to the change, the day during which a person returned from leave was accounted for as a day of duty regardless of the time of day. It is now counted as a day of leave.

OMB

Lump Sum Reenlistment Bonus

An OMB/Presidential decision directed termination of lump sum payments effective 31 Dec 1974. This resulted in a significant loss to the soldier in actual purchasing power of the bonus. For example, if $5,000 SRB is paid over time via five equal installments, the purchasing power drops to $3,790 assuming a 10% rate of inflation.

CONGRESS

Travel Pay Upon Reenlistment

The former program provided for payment of mileage allowance at ETS from last duty station to home of record of place from which ordered to active duty. Performance of travel was not required. Congress

deleted the funds in January 1975. Although payment in connection with immediate reenlistment for travel not performed cannot be justified, it did reduce the amount of income for those who immediately reenlist.

Garnishment of Pay (No Controls)

PL 93-645, effective 1 January 1975, provides for garnishment of military pay for child support and alimony. This subjects military pay to processs by individual states and established a precedent for garnishment to meet other financial obligations.

DEPARTMENT OF THE ARMY

Increased Commissary Surcharge

Effective 1 February 1976, the Commissary surcharge was raised from three percent in CONUS and two and one-half percent in overseas areas to four percent worldwide.

OSD

Change in CHAMPUS Fee Payments (90th to 75th Percentile)

Twenty-six restrictive changes since July 1974 have been directed by OSD stemming from Congressional criticism of escalating costs. These changes have shifted the burden of cost to the service member and retiree. In December 1976, the Services nonconcurred with the DoD proposed CHAMPUS regulation which further restricts and reduces benefits.

Elimination of Some Military Post Offices (MPO)

OASD(I&L) proposed to end MPO status of all but remote sites in December 1975. MPO patrons lost Parcel Air Lift (PAL) and Space Available Mail (SAM). PAL is parcel mail at surface rates with air shipment in CONUS for $1.00 extra. SAM is parcel mail at surface rates, sent space available air between the APO and the gateway city.

Elimination of 1% Kicker for Retired Pay

Retired Pay receives a simiannual increase by the same percentage as the actual percentage of change in the Consumer Price Index (CPI) which occurred during the preceding 6 month period. Effective 31 Dec 1969, a 1% kicker was added to offset administratative lag-time. Effective 2 Oct 1976, PL 94-440 eliminated the 1% kicker in response to the allegation that the kicker compounded increases twice annually; however, the increases are tied to actual increase in CPI.

CONGRESS

Medical Services Reduction

Reduction in authorization for Medical Corps and Army Nurse Corps personnel resulted in the conversion of five hospitals to clinics and forced greater use of CHAMPUS. Combined with the reduction of reimbursement under CHAMPUS from 90% to 75% of the cost of medical care, a greater share of the cost has been shifted from the government to service members and retirees.

60-Day Limit and non-BAQ/BAS for Accured Leave Payments

The DoD Appropriations Act for FY 1977 (PL 94-631) limits to 60 days the reimbursement for unused leave during a military career. Payment for any leave accrued by a member after 1 Sept 1976 is payable only at the basic pay rate. Prior to 9 Feb 1976, enlisted personnel could be paid for up to 60 days accrued leave each time they reenlisted and upon termination of service at a rate which included BAQ and BAS.

Enlisted Undergraduate Fully Funded Program

Congress eliminated this program effective January 1975. The last students graduated during FY 1977. Soldiers must now obtain college education off-duty and at their own expense (GI benefits avaiable if enlisted prior to 1 January 1977; tutition assitance still available).

Reallocation of Future Pay Raises

In July 1976, Congress revised the military pay raise mechanism to allow the President to reallocate up to 25% of the base pay increase to BAS and BAQ. On 1 Oct 1976, Base Pay, BAQ and BAS were increased 4.83% with 25% of the Base Pay increase reallocated to BAQ. This reduces retired pay by 10-20%, reduces Survivor Benefit Plan payments, and reduces Reserve Component Drill Pay.

Taxation-Exemption for Disability Retirement

Congress limited Tax exemption for future retirees to combat injuries defined as: "direct result of armed conflict, while engaged in extra-hazardous service. Noncombat: under conditions simulating war (maneuver training); caused by instrumentality of war (weapons)." This applies to entries on active duty after 24 Sep 1975.

Termination of Fully Funded GI Bill

Effective October 1976, Congress increased monthly benefits payment for full-time students by 8%; established a delimiting point of 31 Dec 1989 for use of the current GI Bill; extended length of educational enrollments from 36 to 45 months; and terminated eligibility for current GI Bill entitlements for all individuals entering the Service on

or after 1 Jan 1977. The Army has used the GI Bill as an enlistment incentive in the past.

Termination of PREP

This program provided high school instruction for non-high school graduates and remedial/refresher education needs for individuals entering college level courses or vocational classes. PL 94-502 terminated new PREP enrollments after 31 Oct 1976. On 28 Oct 1976 ASD(M&RA) authorized and directed the Services to continue a high school completion program using available educational funds. Installations are contracting with civilian schools to continue the program. However, funding has changed from the Veterans Administration to DoD/DA. OMA funds must be made available in order to continue a full education program.

Examined individually, the list of benefit erosions are not overly significant; however, they must be considered in light of their collective impact on morale. Addressed below are two areas which are receiving increasing attention in the press and are predominant in any discussion among service personnel who are concerned over the deterioration in their life styles and that of their dependents. The areas are pay comparability and health service.

PAY COMPARABILITY

The Department of Defense objective of achieving and maintaining a scale of pay comparable to that of civilian men and women of equivalent age, skill, and education was (and is) considered of paramount importance to sustainment of a volunteer force. By achieving and maintaining comparability, the military can reasonably expect to compete with industry for an adequate share of the national labor pool.

Achieving Comparability

The following discussion centers on Figure 1. As early as 1966, it was generally recognized that military pay, especially in the lower grades, would have to be increased about 50% in order to achieve comparability. Although the Services received pay raises during the ensuing several years, the increase barely overcame the influence of inflation, and cumulative pay of the lower ranked soldier remained 50% lower than his civilian counterpart. The gravity of this situation was epitomized in testimony to the Congress in 1969 by the Assistant Secretary of Defense (M&RA) who stated that approximately 50,000 military families were still at the poverty level. By January 1972 the move to an All-Volunteer Force and active cessation of the Selective Service System brought about a major revision to military pay and a point was reached where military compensation had attained reasonable competitiveness with the private sector. "Reasonable competitiveness" meant that a soldier's total ecomonic outlook was roughly equivalent to that of his civilian contemporary. It did not mean that, dollar for dollar, their pay checks were equal. It did mean that when the dollar value of benefits

such as quarters and rations allowances, tax breaks, commissary and exchange privileges, and health care are added to the military pay check, a soldier's pay is roughly equal to the average civilian pay check. However, the degree of equivalency of the two pay checks cannot be precisely measured for two reasons. First, commissary privileges are used by relatively few first-term soldiers while the worth of this benefit is applied across the board to their benefits. Second, most civilian jobs encompass a wide array of benefits including insurance, health and dental care, merchandise rebates and paid vactions. The worth of these benefits has not been accurately assessed because of the variety of civilian benefit programs and their different values. It can be safely stated that some civilian firms now provide health and dental care that exceed military benefits; therefore, while the soldier in 1972 generally accepted the premise of equivalent pay, his acceptance of that premise today is in doubt.

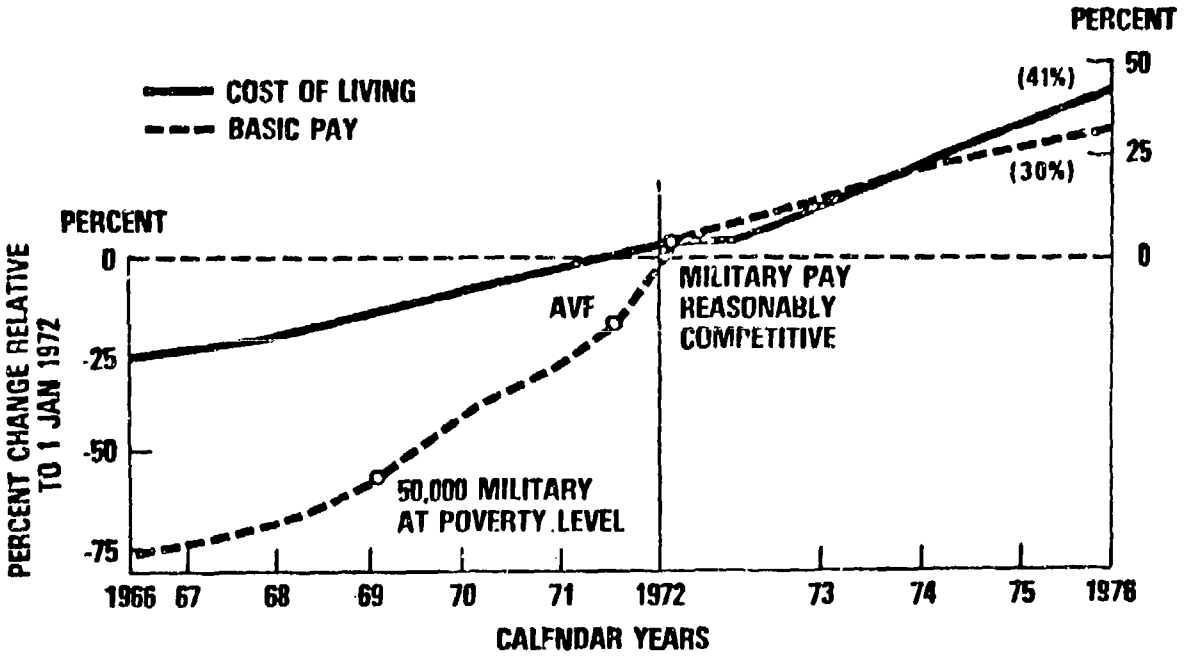
Maintaining Comparability

In Figure 1, the right side of the chart shows a divergance between military pay and the cost of living. Since 1974 the gap steadily increased and, by the end of 1976, military real purchasing power was 7% lower than the civilian sector. The main causes of this loss of purchasing power are the 5% ceiling placed on military pay raises beginning in 1974 and an annual rise in inflation of 8% or higher over the same period. This is exacebated by the apportionment of pay raises between basic pay, and quarters and subsistence allowances, although there is a partial offset to the basic pay of soldiers living in barracks. Administrative actions are also affecting a soldier's ecomonic status. As stated earlier, revised CHAMPUS regulations limit reimbursements to the 75th percentile of local charges, down from the 90th percentile. This translates on the average to each participant paying out of his pocket $64 in dependent dental care and $98 for medical care annually. Enlisted members reject as illogical arguments that these adjustments were necessary to compensate for the pre-1973 raises, and view dependent medical care as a sacrosasanct part of the total pay and benfit package that lured them into signing an enlistment contract. In this regard, it should be recognized that over 60% of the current force as of FY 1977, [at the end of FY 1978 the percentage is 70%] entered the service since January 1972. They did not experience the compensation increases of the late 1960s and early 1970s; they have experienced only an erosion of benfits and the threat of more erosion in the future. On the other hand, the volunteer soldier sees industrial, police, fireman, and state and county pay scales increasing annually at rates sometimes higher than 10%. He views the power of the unions that protect the levelihood of the civilian sector, and, if the volume of Army Times letters to the editor is any indication, laments that his national civilian and military leaders have failed to act decisively in his behalf. He views the Congress as an adversary--the body that is cutting his benefits-- while at the same time increasing the salaries of

its members. An April 1976 survey on pay, benefits and conditions of service revealed that over half of the Army's career soldiers would not, knowing what they know now, "do it all over again." The same number probably would not recommended a military career to a neighborhood youth or one of their own dependents.

In summary, the value of benefits to the soldier retains a constant worth, notwithstanding fluctuations in the economy. Although reasonable pay competiveness was finally achieved in 1972, a soldier's purchasing power has decreased 7% in the interim due to inflation. About 61% of enlisted personnel currently on active duty as of FY 1977 [at the end of FY 1978 the percentage is 70%] entered the Army since 1972; therefore, the large pay raises prior to 1972 have no relevence to the majority of soldiers now in the Army or to potential new recruits.

FIGURE 1


BASIC PAY AND COST OF LIVING CHANGES 1966 - 1976
PERCENT
COST OF LIVING
BASIC PAY
(41%)
(30%)
50
25
0
PERCENT
0
-25
-50
-75
PERCENT CHANGE RELATIVE TO 1 JAN 1972
AVF
MILITARY PAY REASONABLY COMPETITIVE
50,000 MILITARY AT POVERTY LEVEL
1966 67 68 69 70 71 1972 73 74 75 1976
CALENDAR YEARS

HEALTH SERVICES

Medical Funding

Funds for medical operations have been relatively ample for sustaining health care functions, but like other OMA Programs, have been subject to inflation. Table 1 demonstrates fundings levels available for hospital operations expressed in terms of FY 1977 constant dollars. Note that FY 1975-1976 funding programs, discounting inflation, have been well below FY 1973 when MVA resources were added.

Table 1

Appropriations for Hospital Operations (Army)
(Million $)

Fiscal Year	Actual Dollars	Rate	1977 Constant Dollars	Percent Change
64	89,656	2.2048	197,674	
70	237,828	1.7701	420,979	+112.96
71	228,441	1.6522	377,430	- 10.34
72	267,482	1.5664	418.984	+ 11.00
73	310,906	1.4734	458.089	+ 9.33
74	333,741	1.2921	431,227	- 5.86
75	359,378	1.1378	408,900	- 5.17
76	389,486	1.0582	412,154	+ 0.80
77	436,740	1.0000	436,740	+ 5.96

Medical Manpower

There has been a modest decline since FY 1974 in military and civilian manpower available for the provision of health care services. The primary reduction occurred in the number of available enlisted personnel; however, the realignment, reorganization, and elimination of nonessential facilities have begun to off set this decrease. Although the total population supported medically has increased approximately 4% since FY 1974, the quantity of health care provided, as measured by the Medical Care Composite Unit (MCCU), has been relatively stable. As long as the Army Medical Department continues to have physician shortages in specific medical specialties; e.g., radiology, pathology, and internal medicine, certain military members and/or their dependents must rely upon CHAMPUS programs.

American Red Cross SMH Program

Due to a major shortfall in funding, the American Red Cross began to downgrade their Service to Military Hospitals (SMH) program throughout all military hospitals. The two-year phaseout of professional therapeutic recreation specialists staffing began in July 1976; the program is now being operated by volunteers. Potential impact area are:

--Loss of accreditation status in psychiatric treatment programs in Army hospitals, and/or

--Loss in quantity/quality of patient services.

CHAMPUS

Resource constraints have prevented the Army from increasing medical care to the point where it can accommodate the beneficiary population and comply with a Congressional mandate to reduce reliance upon the high-cost Civilian Health and Medical Programs for the Uniformed Service (CHAMPUS) program. An ever-growing number of patients have been compelled to seek care under CHAMPUS, and with OSD reduction in CHAMPUS entitlements, a greater share of the costs must be borne by the reciptient.

The following article on CHAMPUS from Army Times 1/ is an excellent summation of the type of difficulties being experienced by service members and their dependents in regard to health care. It is reprinted in its entirety.

IMPACT OF "CHAMPUS MESS" CITED
by Randall Shoemaker
Times Staff Writer

WASHINGTON - Army leaders at all levels reportedly are increasingly concerned about what they call "the CHAMPUS mess." Problems and complaints on the health care program are arriving here from many parts of the country, officials say.

Worries are mounting, they say, that recruiting, retention and accomplishment of military missions are being handicapped by the impact CHAMPUS problems are making on soldiers in the field. Recruiters are growing more reluctant to tell prospective enlistees that the Army provides good medical coverage. They often are posted at locations distant from military installations, so their need for civilian health care has given them much experience with the CHAMPUS problems.

1/ "Impact of 'CHAMPUS Mess' Cited," by Randall Shoemaker, Army Times, February 27, 1978.

"The soldier," said a commander, summarizing the situation, "suffers increasingly heavy financial costs, nightmarish administration, humilating letters and phone calls from collection agencies and extensive travel to military installations to avoid the costs and aggravation of CHAMPUS."

Major problems that have been reported include:

- CHAMPUS claims filed by doctors typically take three, six, nine or more months for payment, instead of the 45-day period advertised by the program.

- Doctors and hospitals, when CHAMPUS payments are delayed, attempt collection from the soldier using collection agencies that harass the person and hurt credit ratings.

- People filling claims have forms returned several times for information already provided or for various errors that might have been caught in one processing.

- Post CHAMPUS advisers as well as doctors and soldiers themselves have difficulty contacting responsible persons in the insurers' offices to obtain information on a claim.

- The partial (80%) payment under CHAMPUS is inadequate where catastrophic illness strikes a soldier's family and, in known cases, officials said, has forced the soldier into bankruptcy. In contrast, health insurance policies carried by many civilian business offer greater protection.

There are even reported problems among retirees who work in civilian companies that have health insurers as the second payer. Because CHAMPUS is too slow to pay frequently, and the second payer can't pay up until CHAMPUS moves, doctors and hospitals turn the account over to collection agencies.

Typical of the trend is the experience of a general officer in the Washington area where military medical facilities generally are satisfactory for the routine needs of local service families. The officer's dependent required a specialist, so he obtained one who was regarded as the best in the field.

The specialist performed the work, made a claim under CHAMPUS and after three months, had received no payment. To soothe the doctor's anger, the general paid the bill (and filed for reimbusement) but the doctor has sworn never again to deal with CHAMPUS.

Some doctors are complaining that CHAMPUS fee schedules are so far out of line with prevailing charges that payments are only about 50 percent, with the doctor expected to write off the unpaid portion.

Instead of writing it off, the doctors are requiring payment from the soldier first - and often treating the person as a welfare patient. The soldier is expected to come up with the cash--which he may have to borrow--and file a claim for reimbursement.

SUMMARY

In all fairness, the Congress has taken adverse action in some pay and benefit areas, but has demonstrated a reluctance to alter the traditional benefits. For example, they have yet to act on the DoD Retirement Modernization Act proposal which was submitted three years ago. They have twice turned down Administration efforts to phased out commissary subsidies, and they rejected the proposal to adopt a fair market rental program for military housing last year.

With some exceptions, Congress generally recognizes the need for adequate benefits and compensation required to obtain and retain high quality volunteers. However, concern over rising manpower costs and the perception that these costs are attributable for the most part to the volunteer concept will continue to be discussed and debated in the Congress until a politically acceptable solution is agreed upon which reaches a middle ground between fiscal restraint and the requirements of national security.

Recently, the Chairman of the Manpower and Personnel Subcommittee, Senate Armed Service Committee, stated that the volunteer force was one of the worst legacies of Vietnam. He also criticized the Department of Defense for masking the costs of the all-volunteer force and for failing to adequatly state standards so that judgments can be made about its success or failure. Both he and the Chairman of the Senate Armed Service Committee have been joined by other leaders of both parties in the Congress who are expressing alarm about apparent shortcomings of the Total Volunteer Force and its questionable future. As the U.S. vs Soviet balance of power and other defense issues become increasingly newsworthy, justification for rising costs associated with manpower procurement in a voluntary environment will become considerabley more difficult for the DoD to defend, particularly so if the personnel portion of the Defense budget continues to expand and is perceived by the Congress as a detriment to weapons systems development and procurement.

While OSD and OMB have taken steps to check the growth of military personnel costs by attempting to redirect funds to guarantee continued funding in other areas affecting greater numbers of people, they have been unable to treat each element of pay and benefits as a components of a coordinated military compensation package. This has resulted in actual financial sacrifice and the threat of continued sacrifice to service members and their families. Most importantly, these actions

detract from the Service's ability to improve the quality of life in the armed forces and are becoming an additional obstacle to recruiting and retention of quality personnel.

It would appear that the general public prefers a volunteer system to conscription. There is, however, a declining propensity on the part of 17-21 year old males to volunteer for military service. Although many reasons are offered for this decline, the most significant are probably an improving economy and an "out of sight, out of mind" mentality among the American people who have traditionally given little though to the military in the absence of an involuntary requirement to serve.

The need for high morale in the armed forces was best expressed by the Defense Manpower commission in its April 1976 report to the President and Congress:

> "The importance of the morale of the individual, particularly the combatant, cannot be overemphasized in any Service. Likewise, the related factor of esprit, that is, the pride and spirit of a combat unit, ship, or crew, is a vital intangible quality that any experienced military leader knows and respects. Identity with a ship or a unit, a sense of belonging, is another important resource. Loyalty within a unit means much as well, such as loyalty to a buddy or a shipmate, loyalty to a commander by his men, and loyalty to his people by the commander. The militay leader of a good unit, when he needs it, can demand and receive from his people what most managers or superviors in our society would not dare to ask.
>
> The serviceman or woman, in turn, expects reasonable security for self and family."

APPENDIX D

ALTERNATIVE WAYS TO IMPROVE AND INCREASE MILITARY RECRUITING

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December 1978

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

(MANPOWER, RESERVE AFFAIRS AND LOGISTICS)

APPENDIX D

ALTERNATIVE WAYS TO IMPROVE AND INCREASE MILITARY RECRUITING

The preceding sections of the AVF report have concluded that under the all-volunteer force there is a need for improvement in the standby draft. This appendix discusses improvements that can be made in recruiting and takes into account changes that could result if the standby draft is improved.

Access to High Schools at or Following Registration

Expanded access to high school students at or following peacetime registration for induction would assist recruiting. At a minimum, the names and addresses of registrants could be made available to recruiters as a result of registration. The names of high school seniors among registrants are considered a good source of contacts for recruiters. At present, commercial lists which contain names and addresses of about 95% of high school seniors may be purchased for approximately $200,000. The lists are used by all Services. While this expense could be avoided if lists are available as a result of registration, the Services might still wish to purchase the commercial lists because they might be more efficiently used for direct mail advertising programs.

If mental and/or physical examinations are administered to registrants, the names and addresses of those who meet entry qualifications constitute a more refined, hence more effective, list of prospects and contacts for recruiters than the list of names and addresses of registrants. The names and mental test scores of high school students are presently made available to recruiters through the DoD High School Testing Program. Under this program the Military Services administer the Armed Services Vocational Aptitude Battery (ASVAB) to about 1.1 million high school students in approximately 15,000 high schools. This is about 75% of the high schools in which it would be productive from a recruiting standpoint for the Services to administer the test (some religious schools, correctional institutions, and training facilities for the handicapped are omitted). About one-half of the test takers are seniors, representing nearly 30% percent of the seniors available in the high schools in which the test is given. The total costs of this program are estimated at $4.5 million annually. If mental and physical examinations were administered to registrants, the current costs of the High School Testing Program may still be necessary, as discussed in subsequent paragraphs.

A list of examined registrants would not be as effective for the provision of refined recruiting leads as would the lists obtained from the High School Testing Program. A larger proportion of the registrant list would consist of non-graduates from high school. The High School Testing Program also furnishes information on the future plans of test takers, which is very useful to recruiters. For example, a student who indicates he plans to enter military service or a student who says his plans are undecided is more likely to enlist than one who plans to enter a four-year college or go to work.

The list of names and addresses of qualified registrants is not likely to be an adequate substitute for the information furnished to recruiters from the High School Testing Program.

It is likely that at least some of the educational community would oppose mandatory aptitude testing or physical examinations in the high schools at the time of registration. Provision of mandatory access to the high schools by recruiters in conjunction with peacetime registration would be counter-productive to recruiting if this action generated anti-military attitudes among school officials and the educational community.

Changes in Recruiting

Increased Educational Benefits

Increased educational benefits are consistently identified as a significant incentive that would improve the likelihood of enlistment. Until 1 January 1977 the G.I. Bill provided a broad based non-contributory educational incentive for enlistment. Since the first of January 1977, new recruits have been eligible to participate in a contributory educational assistance program--the Veterans Educational Assistance Program (VEAP). About one-fourth of the Army and Navy eligibles participate in the VEAP program. The Marine Corps and Air Force participation rates are substantially lower. Under this program, members allot a minimum of fifty dollars a month from their pay. The Government in turns matches the members contribution on a two for one basis. In order to obtain the benefits, a minimum twelve month participation period is required.

While the VEAP program provides some educational benefits to Veterans, the benefits are significantly less than those under the old G.I. Bill. For example, a single veteran attending school full-time for the maximum 45-months allowed under the G.I. Bill would receive about $14,000 in educational assistance, a married veteran with one dependent would receive over $16,500. Under VEAP, the veteran would receive, in addition to his own contribution, a maximum benefit of $5,400. In addition, VEAP benefits are not available until the service member has completed his initial enlistment time. Therefore the first-termer who wishes to

participate in tuition assistance programs must not only allot a minimum of fifty dollars a month to the VEAP program but must also contribute to any tuition assistance program in which he participates.

Since termination of the G.I. Bill, there has been a sharp decline in the number of enlistment contracts obtained from male high school diploma graduates. A myriad of factors, including an improved civilian job market, contributed to the decline but it seems reasonable to ascribe some of the decline to the loss of attractive G.I. Bill educational benefits.

A test of increased benefits through Service contributions to members' VEAP programs will be conducted this year in an attempt to better identify the extent to which educational incentives can contribute to military recruiting.

Changes in Terms of Enlistment

A new test of the effects of two-year enlistments on supply, reenlistments and costs will be conducted this year. According to survey data, more youths are willing to enlist for a two-year term of service. Previous studies have also indicated that a shorter term of service can be expected to increase the number of enlistments. However, many individuals who would enlist for three for four years are likely to shift to a two-year term. Because of this switch in enlistments, previous studies have shown the increase in accession requirements after two years to be larger than the increased supply.

Although two-year enlistments appear to result in larger accession requirements over the long term, there are some cost savings as well as operational considerations that may offset the increased costs. For example, enlistees in their third year of service are 57% more likely to have dependents than enlistees in their second year. Hence, there is a smaller requirement for dependent support in the case of two-year enlistees. The current test will develop detailed information on costs and other issues.

The program to test two year enlistment is being designed to determine if the shorter terms will enable the Services (primarily the Army) to attract high quality enlistees from among young men and women who are not now entering military service.

Expansion of the Non-High School Graduate Pool Through Improved Screening

Non-high school graduates who have achieved a General Educational Development (GED) certificate have somewhat lower attrition rates (2% to 3% percent lower) than other non-high school graduates enlistees. Only 14,000 (20% of the 73,000 male non-high school graduates entering service during FY 1978) held a GED. The potential pool of GED is sizeable since over 400,000 individuals obtain a GED each year, and many could be identified through access to automated records, maintained by

the various states. Through the use of adjunctive screening measures now being planned, it should be possible to increase the number and quality of GED holders among the non-high school graduates entering the service. Potential savings in recruitment and training costs that would accrue cannot be estimated at this time.

Increases in Recruiting Personnel

Among the various resources employed by the Services in their recruiting operations, the most important is the production recruiter force. In FY 1978 nearly 13,000 servicemen and women were assigned to duty as production recruiters--personnel assigned recruitment quotas. Varying the size of the recruiting force to meet annual fluctuations in accession requirements is difficult because of the long lead times for recruiter selection, training and placement and the process of learning the assigned market area. Average production for a recruiter depends upon the attractiveness of his Service, the enlistment propensity of youth in the area to which he has been assigned, and the quality standards to which he must recruit. During the last twelve months, the average number of male high school graduates enlisted per recruiter ranged from 13 in the Army to 18 for the Air Force. Adding recruiters to the existing forces, however, will not result in an increase in production equal to the current average production. The number will be somewhat less because expansion of the supply can only be accomplished through contact with youth who are not currently being reached by recruiters or through the persuasion of youth who are not currently recruits that additional recruiting manpower might produce. Previous studies have indicated the marginal recruiter productivity ranged from 4 to 16 male high school graduates. At an estimated average cost of $32,000 (pay, support, supervision) the additional cost incurred by increasing the recruiter force to access more high school graduates would range from $2,000 to $8,000 per graduate.

The Service have emphasized the recruitment of high school diploma graduates during the past several years because their recruitment has been more cost effective than non-graduates. Accession costs consist of the initial recruitment cost plus the costs (including pay) of placing a trained service member in an operating unit. The cost-effectiveness measure is the cost per trained man year over the full 30 year life cycle of entry cohort. While it initially costs more to recruit high school graduates, their significantly lower attrition results in lower expected manyear costs than for non-graduates. However, as the Services recruit increasingly larger proportions of the high school graduate market the marginal recruiting cost for graduates increases. A 1977 analysis of Army's accession costs showed that the market penetration rate resulting from Army's high school graduate objective resulted in a cost per trainee manyear for male high school diploma graduates that was about equal to the cost for non-graduates. With the same manyear cost for high school graduates as for non-graduates, further attempts by the Army to recruit a larger share of the male high school graduate market would not be cost effective. Further, since all

four Services recruit from the same high school graduate market, any significant increase in the penetration of the high school graduate market by any Service, which results in higher recruiting costs for the Army, will not be cost effective.

Management Improvements

The Service which has had the most success in achieving its recruiting objectives with high quality personnel has been the Air Force. While the Air Force is also perceived by young people to be the most attractive, it has attempted to build a recruiting force in which successful recruiters may remain on recruiting duty and progress into supervisory positions. This provides an experienced leadership cadre as well as workforce. Officer command positions are similarly structured and filled to the maximum extent with officers who have prior recruiting service and/or personnel duty. The Marine Corps, which has also had considerable success in improving its recruiting program, has established a career program for its most effective recruiting personnel. The Navy has indicated it hopes to establish a similar career cadre among its recruiters.

While preferring volunteers for recruiting duty, the Army has found it necessary to mandate recruiting duty for significant numbers of its recruiting work force. This mixed force of volunteers and nonvolunteers has reflected expected variance in individual and unit effectiveness, motivation, and morale in accomplishing the recruiting mission. Some units and individuals were outstanding sucesses while others were less than completely satisfactory. Leadership, supervision, and the state of training of the work force appears to have been a significant factor in both cases. Officer career patterns seldom permit Army recruiting commanders, successful or unsuccessful, to remain more than two years in recruiting duties. Similar exodus of senior NCO supervisors, and others involuntarily assigned to recruiting, at the first opportunity contributed to continual personnel turnover, leadership, and training problems. The continued effects of these problems have been reflected in increased personnel requirements and lower productivity when compared to other more stable recruiting work forces. The Army is well aware of these specific problems and is moving to reduce the high level of personnel turnover, career stabilize a cadre of successfully proven supervisors and recruiters, and to conserve its training investment. Immediate improvement is an unrealistic expectancy; however, visible improvement should begin in FY 1980 and become marked in the ensuing years.

Reserve Recruiters

The Army Reserve and the Army National Guard have converted from a part-time recruiting force to a full-time, trained professional force. With this conversion all components now have a full-time recruiting force.

A number of improvements have been made in Reserve recruiting programs. Programs have been initiated to reduce the drill status commitment to four years on drill status with the remaining two years being spent in the Individual Ready Reserve (IRR). Market studies have shown that potential non-prior service recruits view the six year enlistment as too long.

Additionally, the Reserve Components of the Army are testing splittraining (training during two summers, six weeks per summer) and the "Militia Careers Program" (receiving credit for vocational school training in lieu of advanced technical training at an Army base) in order to remove the perceived deterrent to enlistment of a "long" period of initial training which could interfere with educational programs or employment schedules. If shorter training programs remove this deterrent, Reserve recruiting can be expanded in the continuing student and 21 to 26 year old markets as well as the 17 to 21 year old market represented by those young people who have jobs.

The Army is preparing to test a program for direct enlistment into the IRR. Under this program, recruits would finish their initial training and spend the remainder of their six-year commitment in the IRR as a mobilization reinforcement resource. There would be no drill requirement. A refresher training period(s) of short duration would be conducted during the six years. Additionally, the IRR member could apply for a Selected Reserve or Active Component vacancy if he so desired. This program would allow IRR enlistees to "test" the military without committing themselves to years of formal weekend drills or a set period of active duty service. This approach to recruiting, which in essence permits a youngster to try military service without a prior long-term active or selected reserve commitment, may open new potential market supply to the military by removing one of the main barriers to entry--a long term of committment with no way to evaluate military life, first-hand, before signing the enlistment contract.

Recognizing that some Reserve assignments are perceived as being less desirable than others, the Department of Defense has initiated an incentives program aimed at recruiting and retaining enlisted members for certain hard-to-fill positions in early deploying combat/combat support units and for certain hard-to-fill skills in later deploying units. It is envisioned that the planned advertising campaign, built around these "bonus" units, will also serve to enhance interest in the entire Reserve recruiting program.

The professional recruiting force, assisted by new programs and new incentives, should be able to increase the number and quality of accessions into all of the Reserve Components.

Changes in Recruitment Quota Systems

The establishment of recruiting objectives by geographic area is a function of the individual Recruiting commands. In general, the goals

are established by Command Headquarters for the next lower command echelons. These Commanders in turn subdivide their objectives to the next lower command, etc., until the individual recruiter receives his personal objective. The quota assignment takes into account the distribution of youth who can be expected to meet military enlistment standards--physical, mental, and moral. In addition to the numerical requirement for recruits, recruiters are also constrained in the recruitment of "less desirable" recruits--such as high school dropouts and applicants with below average mental ability scores (category IV, non-school eligibles, etc.). These constraints are imposed to motivate the recruiter to work the "quality" youth market rather than the more easily obtainable low quality recruit. The manner in which the individual quality constraint is imposed can also affect recruitment results. For example, the acceptability of two non-graduates for every six graduates would restrict non graduate enlistments more than an acceptability rate of one for every three graduates, yet both constraints would result in a minimum high school graduate accession percentage of 75%.

Experience has shown that enlistment propensity varies among the geographic areas of our country in a different manner than the variation in youth's residence. The Services have not taken full advantage of this variation in the assignment of enlistment objectives because they believe that the opportunities available in the military service should be offered to youth in all sections of the nation. When areas are not able to fill their quotas, the areas in which youth have higher enlistment propensity are authorized to enlist more applicants. Some enlistments may be lost when applicants from a high enlistment propensity area are initially discouraged because the recruiter's original quota was over subscribed.

The management practice of assigning the years's accession requirements needed to man our forces, geographically and over time, is often criticized as unnecessary. The assignment of goals (objectives or quotas) to the recruiting force (fairly, based on experience, propensity, recruiter productivity, etc.) is intrinsic to the planning, organizing, and controlling of the application of taxpayers' resources to the accomplishment of the recruiting mission.

Police Record Checks--Access to Juvenile Records

The last few years have seen numerous changes in state and local laws, regulations, and policies regarding criminal justice information practices. Many states, including Alabama, Alaska, California, Colorado, Georgia, Iowa, Maryland, Massachusetts and New York, have developed comprehensive policies about the collection, maintenance and dissemination of criminal history records. The Federal Government has also experienced changes in related laws and policy. Examples include the Privacy Act of 1974, Law Enforcement Assistance Administration Act (LEAA), Criminal Justice Information System Regulations, the new Civil Service Commision policies, and, in particular, Department of Justice Order No. 601-75 which bars all criminal records to recruiters except adult felony conviction records.

One adverse effect of these numerous and often uncoordinated changes is the uneven flow of information needed to perform enlistment suitability and security clearance determinations. Service recruiting personnel seeking state or local criminal justice information often find that information obtainable in one state cannot be obtained in another. A review conducted by the Department of Defense, Office of the General Counsel, of all state laws governing the release of juvenile records to outside parties indicated that in over three-fourths of the states, state law either prohibited any release to persons such as recruiters or else required the individual about whom a juvenile record was kept to obtain a court order before that information could be released.

In specific illustration of this problem and its adverse impact upon recruiting, during the first eleven months of FY 1978 the Army initiated 338,000 requests to the Defense Investigative Agency for investigation and clearance of applicants for Military Service. 26,200 of these applicants had failed to fully disclose unfavorable personal information, primarily past involvement with the law, which ultimately resulted in the rejection of 5,322 of that group from military service. The loss of these individuals entailed costs of approximately $16 million, which possibly could have been avoided had judicial records in all states and federal agencies been freely available to Service recruiters during the pre-enlistment screening process in which an applicant's basic eligibility for military service is determined.

Experience with recruiting irregularities further substantiates the adverse effect of the lack of access by recruiters to judicial records. In FY 1978, 30% of all allegations of recruiter malpractice in the Army were directly related to the concealment of police records by applicants. This single category of alleged malpractice exceeded any other single category including that of false promises and guarantees. It would appear that this major source of alleged recruiting malpractice could be significantly reduced if recruiting personnel had open access to judicial records.

The Department of Defense has been unsuccessful to date in its attempts to obtain either a statute or executive order expressly authorizing the DoD to conduct an investigation to determine the employment suitability of military personnel. Complete access to all criminal records would contribute substantially to the Services' ability to fairly and accurately determine eligibility for enlistment. The need for improved access to judicial records was presented and discussed in detail during open hearings held by the Subcommittee on Military Manpower and Personnel of the Senate Armed Services Committee on 10 and 12 October 1978.

In summary, there is, in the view of the Defense Department, a well demonstrated need for pre-enlistment access by recruiting personnel to all judicial records related to an applicant. At present, there is no authority to investigate the suitability of applicants for enlistment.

Statutory authority would appear to be required; however, the only type of legislation which would effectively solve this problem would be a law mandating the states to release their judicial records, especially juvenile records, to recruiters for purposes of determining enlistment suitability. Specifically, Sections 505 and 510 of Title 10, United States Code, need to be amended to prescribe affirmative authority for the Secretary concerned to establish specific qualifications for enlistment in the Regular Components of the Armed Forces; and with regard to both Regular and Reserve Components, to permit the Secretary concerned to obtain such information regarding any prospective enlistee as may be necessary to determine whether that person meets such qualifications for enlistment.

Public Support Of The All-Volunteer Armed Force

The Department of Defense is committed to the national objective of a volunteer Armed Force. Public leadership support of that commitment is essential to its success. The military profession is an honorable profession; it is an integral part of our society and of the nation. It is important that public officials speak positively about the profession. Far too many remain mute. Recently, letters of invitaion were sent to every member of Congress to visit volunteer force recruiting facilities to become informed about those activities on a first hand basis and to solicit each member's positive public support of the volunteer Armed Force. One hundred fifty-two letters, including second requests, were sent to Senators; 25 responses were received. Four hundred seventy letters were sent to Representatives; 55 responses were received. While we believe that Congressional support far exceeds that indicated by the number of responses received, it is necessary that the support of our leaders be clear and apparent to the public at large if our recruiting efforts are to meet with the success required to attain and sustain the national objective of a volunteer Armed Force.

APPENDIX E

DEPENDENTS[1/]

Since the nation converted to the AVF, there has been a significant change in the number of enlisted persons having dependents. In 1971, only 44 of every 100 active duty enlisted had dependents. By mid-1977 the rate had increased to 51 out of each 100. As shown in Table E-1, this is a 15% increase.

Table E-1

Active Duty Enlisted Members Having Dependents
(Rate per 100)

Year*	ARMY	NAVY	USMC	USAF	DoD
1971	38.0	43.4	29.8	59.6	44.4
1977	49.4	47.3	35.9	62.4	51.0
% Increase	30%	9%	21%	5%	15%

* As of June 30 of year shown.

The greatest overall increase in the proportion of enlisted with dependents has been in the Army, where the E-4s and E-5s have increased over 60%. However, the Army is also the only Service having a decrease in the rate of E-1s and E-2s having dependents, shown in Table E-2.

1/ Source of Data: Data Book for the All-Volunteer Force, Terryl L. Wisener, Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), December 1978.

Table E-2

Percentage Change in the Rate of Active Duty Enlisted Having Dependents, 1971-1977 by Grade

Grade	Army	Navy	USMC	USAF	DoD
E-1	-33.1*	24.0	108.6	15.6	-26.0*
E-2	-12.1*	59.4	56.4	8.3	6.5
E-3	26.5	28.4	39.7	33.0	34.4
E-4	65.7	17.1	22.3	28.0	43.1
E-5	63.8	13.4	17.0	5.9	23.5
E-6	8.4	1.6	2.7	-0.7	2.8
E-7	5.0	0.2	1.7	-0.2	1.9
E-8	4.6	0.1	2.7	-0.2	1.9
E-9	3.2	0.5	3.0	0.1	1.3

* Army reductions in grades E-1 and E-2 are the result of a 53% drop in personnel claiming dependents who are other than spouse or children.

These increases in the number of Service members having dependents affects several areas of Service and DoD management planning, ranging from cost to morale and readiness. The availability of housing and Service policy as to who receives that housing are perhaps most important. This is especially true in Europe where on base housing is limited and off base housing is very expensive. Under the AVF there has been a shift from housing distribution by rank to more consideration of number of dependents. Authority also has been granted for increased numbers of single persons to live off post. While it is difficult to attribute all of these changes to the AVF, increased numbers of personnel with dependents have increased DoD costs for housing or allowances in lieu of housing (BAQ), for family separation allowances and for dependent travel.

Junior enlisted personnel, all E-3 and below and E-4 with less than two years of service, are not authorized travel entitlements or military housing for their dependents. Legislative proposals have been submitted to provide more coverage for junior personnel, at least for those assigned overseas. While clearly needed for equity, authorizing junior enlisted travel (JET) will increase the number of enlisted being eligible to receive travel allowances and government housing for their dependents and thus will increase costs.

In addition to how many dependents the active duty enlisted and officer forces have is the question of where they are located. The number of dependents living overseas is down from 447,000 in 1971 to 400,000 in 1977, but the number in Europe is up from 208,000 in 1971 to 215,000 in 1977, as shown in Table E-3. In 1971, 11 of every 100 dependents were residing outside CONUS with their sponsor. In 1977, the rate had increased by 20% to nearly 14 per 100.

Table E-3

Location of Dependents of Military Personnel

	Dependents of Active Duty Military			
	Number (000)		Percent	
	1971	1977	1971	1977
U.S. & Territories, excluding CONUS	124	102	3.1	3.5
Europe	208	215	5.3	7.3
Other Overseas	114	75	2.9	2.6
Total Overseas	447	400	11.3	13.6
CONUS	3,501	2,536	88.7	86.4
Total Dependents	3,948	2,936	100.0	100.0

APPENDIX F

DELAYED ENTRY PROGRAM (DEP)[1/]

The DEP is designed to allow a recruit to enlist but delay entering active duty until some time in the future. Those who enlist under a DEP option are immediately placed into the Individual Ready Reserve (as untrained individuals) and receive credit for their DEP time towards the six-year total obligation (active plus reserve) and their basic pay entry date is set at the time the enlistee joins the DEP, giving him a pay advantage after he enters active duty.

Although the DEP was in existence prior to the AVF, its use was very limited and did not provide a significant portion of the NPS accessions. The program at that time was limited to a maximum delay of three months (6 months in the Navy) and as such had little impact on recruiting. In 1972 the DEP was expanded to serve as a recruiting incentive and to equalize monthly training loads under the AVF by allowing an enlistee to delay entering active duty by as much as twelve months. Figure F-1 presents the trends by Service in the percentage of NPS accessions who entered through a DEP from FY 1971 through FY 1977.

It is apparent from the Figure that the DEP is being used extensively today by the Services. In addition to the enlistment incentive, particularly to high school seniors who may enlist prior to graduation, the DEP also provides an effective management tool for the scheduling of training schools, which has helped reduce training costs. However, the DEP enlistments have a negative effect on the manpower pool of the IRR. Time spent in the DEP now counts as part of the individual's six year military obligation. Crediting the DEP time leaves less trained man-months for the IRR. Table F-1 shows the number of months spent in DEP by the NPS accessions who entered active duty in FY 1977.

1/ Source of Data: Data Book for the All-Volunteer Force, Terryl L. Wisener, Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logisitics), December 1978.

Table F-1

FY 1977 NPS Accessions Who Entered Through a DEP by Months in DEP

DEP Months	Male	Female	Total
0-1	139,836	6,034	146,140
1-2	26,702	2,397	29,099
2-3	18,309	2,840	21,149
3-4	13,518	3,885	17,403
4-5	14,189	3,600	17,789
5-6	12,983	1,018	14,001
6-7	13,101	1,378	14,479
7-8	13,014	1,492	14,506
8-9	2,695	216	2,911
9-10	432	21	453
10-11	235	14	249
11-12	798	76	874
Unknown*	25,304	4,157	29,461
Total DEP	281,116	27,398	308,514
% of Total NPS Accessions	84%	91%	85%

*Source of Data was Defense Manpower Data Center tapes. Unknowns resulted from error entries or invalid dates on the files.

The trend in man-years spent in the DEP is shown on Figure F-2. For DoD as a whole, the DEP time has increased more than sixfold, from about 8,000 in FY 1971 to 58,000 in FY 1977.

The addition to the manpower lost to the IRR, the time credited for the purpose of calculating basic pay adds to the DoD budget, offsetting savings in training mentioned earlier.

Figure F-1

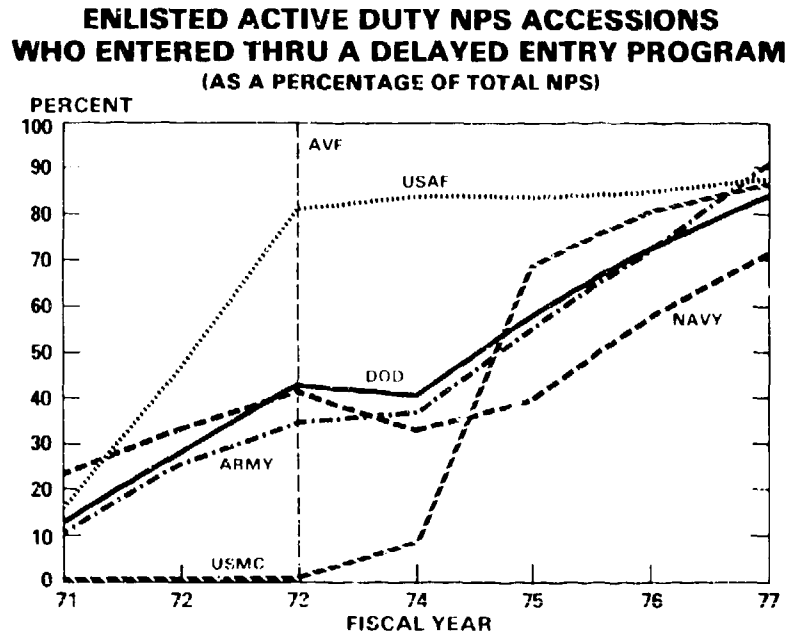
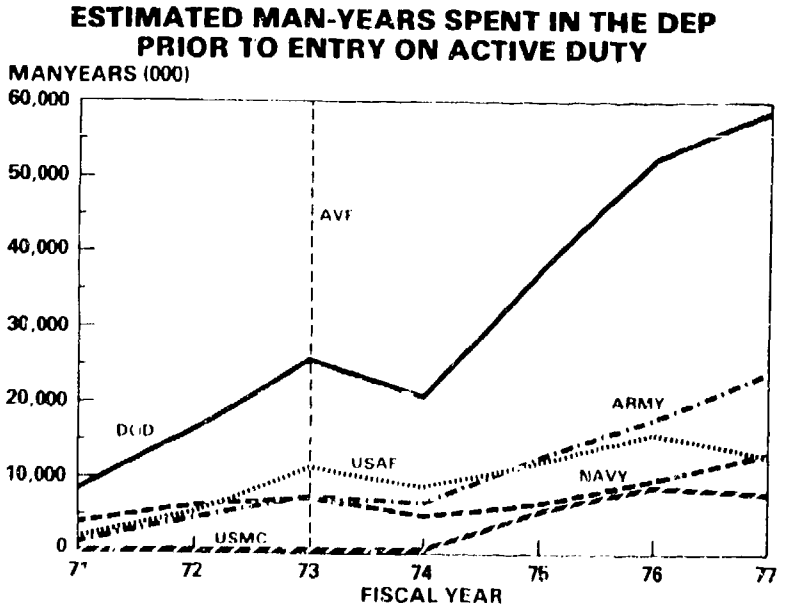


Figure F-2



Data for Figure F-1:

ENLISTED ACTIVE DUTY NPS ACCESSIONS
WHO ENTERED THRU A DELAYED ENTRY PROGRAM
(PERCENT OF TOTAL NPS)

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
71	10	23	*	16	13
72	25	33	*	47	28
73	35	42	*	80	43
74	36	33	8	84	41
75	55	39	69	83	58
76	72	58	80	85	72
77	90	71	87	88	85

*Less than half of one percent.

Data for Figure F-2:

ESTIMATED MANYEARS SPENT IN THE DEP
PRIOR TO ENTRY ON ACTIVE DUTY

FISCAL YEAR	ARMY	NAVY	USMC	USAF	DOD
71	1,951	4,204	1	2,128	8,285
72	4,914	6,209	13	5,475	16,611
73	7,268	7,045	27	11,318	25,659
74	6,675	4,980	219	8,770	20.644
75	12,844	6,566	5,506	12,289	37,205
76	17,999	9,962	8,731	15,745	52,438
77	24,155	13,370	7,878	13,021	58,423

APPENDIX G

SOME IMPLICATIONS OF U.S. DEMOGRAPHIC TRENDS: 1980-1990

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APPENDIX G

SOME IMPLICATIONS OF U.S. DEMOGRAPHIC TRENDS: 1980-1990

This paper provides highlights of the demographic trends in the U.S. over the period 1980-1990. Some implications of these trends are suggested. These differ somewhat from previous analyses in that explicit consideration is given to the population of "prime aged" males, aged 25-54. These implications should be considered tenatative until a more formal analysis can be conducted.

Background

The anticipated decline in the population of 17-19 year old males, the prime recruiting market for both the Navy and the other Services, has been widely publicized as the major threat to the success of the All-Volunteer Force. It has been estimated that the population of 17-21 year old males will reach a peak of about 10.8 million in 1978 and will decline to about 8.8 million by 1990. (The "second wave" baby boom will reach prime recruiting age around 1995, at which time the prime age male population can be expected to increase (see, e.g., Grismer and Kim (1977)). This is expected to combine with an improved economy (as measured by unemployment rates) through the 1980s to produce a very tight market for prime aged male recruits and make it very costly for the Navy to meet its demand for accessions in the 1980s.

In some circles, the success of the AVF to date is largely attributed to a fortuitous confluence of factors that are unlikely to continue into the future, and not to the long-term viability of the concept of an AVF. These "special factors" are the relatively high proportion of the male population in the 17-19 age group over the 1970s and the relatively high unemployment rate experienced by this group over the AVF period. Current critics argue that, while the relatively large population of 17-19 year old males made the AVF feasible during the 1970s and the high unemployment rates experienced by this group during the 1970s made the cost of the AVF "reasonable", a reversal of both of these factors will make the AVF impossible or undesirable to sustain through the 1980s.

Proponents of the AVF have argued that the demographic challenge can be met by reducing the demand for 17-19 year old male accessions through:

- civilianization of military billets;
- increased utilization of women;
- more efficient recruiting.

Discussion

A potentially significant element of the future demographic scenario, and its implications, has been neglected. This has been the relative change in the population of other age groups, and in particular the male population aged 25-34, over the next ten years. The figures for the civilian male non-institutional population are: (thousands)

	1970	1975	1980	1985	1990
Total	64356	71486	77089	81119	84379
16-19	7281	8084	8037	6870	6485
20-24	6897	8769	9584	9586	8129
25-34	11707	14566	17196	18997	19590
35-44	10831	10745	12147	14917	17471
45-54	11062	11330	10841	10721	12085

(Source: BLS, MONTHLY LABOR REVIEW, Dec 1976).

While both the 16-19 and 20-24 populations decline over the next ten years relative to 1980, the 20-24 population is greater in 1985 than it was in 1975. The proportion of 20-24 year olds recruited, relative to 16-19 year olds should increase naturally through at least 1985.

It may be legitimately argued that the cohort of 20-24 year olds will be particularly difficult to recruit since the majority of this cohort had the opportunity to enter the Navy when they were in the 17-19 year old age group, and they chose not to do so. This introduces the major theme of this paper. The population of 25-34 year old males and, moreover, the population of 25-54 year olds, are considered to be the most productive workers in the economy, as measured by contribution to GNP. The population of 25-34 year old males will increase in both absolute numbers and as a proportion of the total male population (16 years or older) throughout the 1980s. This group was 20% of the male population in 1975 and will become 23% of the population by 1990. The 25-54 year old male population was 51% of the total male non-institutional population in 1975 and will become 58% of the population by 1990. In absolute numbers, this is an increase of 5,024,000 of 24-34 year olds over this period, and an increase of 12,505,000 over the same period for the 25-54 age group.

The change in both the total supply of the working age population and the relative changes among age groups has implications for aggregate labor market conditions over the next ten years, and implications for the market for 17-21 year olds. Recognizing that some age groups of workers tend to be more productive than others, the "effective" aggregate supply of labor to the economy measured in "efficiency units" will increase significantly over the next ten years and the increase will be much greater than simply the increase in the male population over this period. For a given demand for labor in the economy, the

increased supply implies that the real wage in the economy will fall, or at least not increase as rapidly as in the past, for the 25-54 year age group. The civilian employment opportunities for the 20-24 year age group will not be as attractive as one would suspect from simply extrapolating past trends. This would seem to imply that the Navy will be able to attract a larger number of this group for a given wage offer than it is currently able to attract. This will be the case for 17-19 year olds as well.

The major implication of the analysis to this point is that, even though there will be a decline in the population of 17-24 year olds over the next ten years, the ability of the Navy to recruit from this group may increase for a given wage offer, offsetting some of the effects of the decline in population of this group. The BLS projection of a continued increase in labor force participation rates of women over the next ten years, with a demography similar to that of males, serves to reinforce this point.

The tentative conclusion reached above differs from the more popular conclusions of what may be called the "simple cohort competition" hypothesis. According to this hypothesis, one would simply observe the decline in the supply of 17-24 year olds and conclude that wages will rise for this group. The problem with this hypothesis is that it segments each demographic group in the labor market and assumes that there are no substitution possibilities between groups. In particular, the effect of the increase in the 25-54 year old group on the market for 17-24 year olds is ignored.

In the analysis above, it was implicitly assumed that all demographic groups are "substitutes" in the sense that a lower wage for one group (because of a shift in the supply of that group) results in a decreased demand for other groups. This may not be the case. Some demographic groups may be "complements" to each other. A decline in the wage for one group will increase the demand for complement groups, resulting in a higher wage and greater employment opportunities for the complementary groups, the magnitude of which will depend upon the elasticity of supply.

Michael Wachter ("The Changing Cyclical Responsiveness of Wage Inflation", BPEA, 1:1976) has done some work which suggests that 17-21 year old males are substitutes for 25-34 year old males, but complements of older male workers. This conclusion is based upon the estimation of regression equations of the following form:

$$\ln(Ui) = a1 + a2 \ln(Upm) + a3 \ln(RP)$$

where Ui is the unemployment rate of a given age-sex group, Upm is the unemployment rate of prime age (25-54) males, and RP is the

proportion of 16-24 year olds relative to the total working age population. In the equation, a given age-sex group is a substitute for 16-24 year olds if a3 is positive, and complements if a3 is negative. Wachter's results are:

	Age-Sex Group	a3
Male	16-19	1.3
	20-24	.9
	25-34	.6
	34-44	-.1
	45-54	-.6
	55-64	-.7
Female	16-19	1.9
	20-24	1.6
	25-34	.9
	35-44	.7
	45-54	.3
	55-64	-.3

These results suggest that 16-34 years olds are substitutes for all age groups of women and for males aged 20-34, but are complements to older male workers. Since both the 25-34 and 35-54 year old males will be increasing, our initial conclusion would appear to be more tenuous. However, all age groups of women are substitutes, and the population of women aged 25-55 will be increasing over the next ten years also. Moreover, the aggregate effect of an increase in the total labor supply (and an even greater increase in the "effective" supply of labor) is likely to dominate in the sense that while wages of 17-21 year olds may rise RELATIVE to the 25-54 year group, the path of the ABSOLUTE real wage for the young male group over the next ten years will be much lower than would be predicted by the simple cohort competition hypothesis, so that our tentative conclusion will still hold. (Note: To say that the analysis of complement and substitute groups was tangential to the thrust of Wachter's paper is to be guilty of understatement. Further, we defined complements and substitutes in terms of what a change in the real wage of one group of workers has on the demand for others. It is our opinion that the effect on unemployment rates may be a poor proxy for this. Clearly, additional empirical work is necessary in this area.)

Other Implications

1. The Navy should examine alternatives for substituting slightly older personnel for billets currently occupied by relatively young enlisted personnel. This will occur naturally in the private sector.

2. Some type of direct procurement petty officer program may become more attractive, economically, over the next ten years.

3. To the extent that private sector employment opportunities influence reenlistment and attrition in the Navy, retention can be expected to increase over the next ten years.

4. The cost of first termers relative to the cost of careerists can be expected to increase even more than it has since the advent of the AVF, implying even greater efficiencies from increasing the careerist/first termer ratio.

5. If the wages of those in the 25-54 year group do suffer a relative decline over the next ten year, the benefits to higher education will fall. This would imply that the loss of the pre-1977 G.I. Bill benefits may not hurt Navy recruiting efforts as much as it otherwise would. The population of young people may not regard higher education as attractive, thus increasing the potential supply of young recruits.

6. Since profitable employment of the prime-age male group is generally capital intensive, and since this group will increase both in absolute terms and relative to other groups, one can expect to hear cries of "capital shortage" with increasing frequency over the next ten years. The price of capital goods is likely to rise relative to labor as a whole in the short run. This means that increasing the capital intensity of the Navy to reduce the demand for accessions will not be as economically attractive as some have suggested. This puts the Navy in the worst possible position with a demand for both capital and young male labor, the prices of which are likely to rise relative to older labor, for which the navy does not have a great demand under current policies.

7. The increase in the prime age male population means that the growth of both GNP and GNP per capita are likely to accelerate over the next ten years due simply to demography. If the percentage of GNP devoted to defense remains constant, DoD can expect a significant increase in real dollar defense budget.

(Note: Some of the implications above, especially 5 and 6, severely test the limits of purely intuitive analysis. In the next version of this paper, a more formal mathematical analysis is planned, using a production function approach where age-sex groups of workers and capital will enter as explicit factors of production. In any case, this paper should be considered more of a proposal for research to subject some of these propositions to more rigorous analysis, rather than as a final paper.)

APPENDIX H

WOMEN IN THE MILITARY

This appendix provides additional information and correspondence related to the role of women in the U.S. Armed Forces.

ARMY MOS CLOSED TO ENLISTED WOMEN

The following 22 MOS of the total of 345 MOS in the Army are closed to enlisted women.

11B	Infantryman
11C	Indirect Fire Infantryman
11H	Heavy Antiarmor Weapons Crewman
12B	Combat Engineer
12C	Bridge Crewman
12E	Atomic Demolition Munitions Specialist
12Z	Combat Engineering Senior Sergeant
13B	Cannon Crewman
13E	Cannon Fire Direction Specialist
13F	Fire Support Specialist
16F	Light ADA Crewman (Reserve Forces)
16P	ADA Short Range Missile Crewman
16R	ADA Short Range Gunnery Crewman
17K	Ground Surveillance Radar Crewman
17M	Unattended Ground Sensor Specialist (no career progression)
19D	Cavalry Scout
19E	M48-M60A1/A3 Armor Crewman
19F	Tank Driver
19G	Armor Reconnaissance Vehicle Crewman
19H	Armor Reconnaissance Vehicle Driver
19J	M60A2 Armor Crewman
19Z	Armor Senior Sergeant

AIR FORCE AFSC CLOSED TO ENLISTED WOMEN

Only the following 4 of 230 Air Force AFSC codes are closed to enlisted women and one of those is being tested to see if women can perform all aspects of the skill satisfactorily.

111X0	Defense Gunners (B-52)
115X0	Para Rescue Recovery
275X0	Radio Operator/Maintenance Driver*
811X0	Security Specialist**

*This position is part of the air control team located with Army front line units where Army policy excludes Army women.

**A test program is currently being conducted on Security Specialists to see if women can perform all required parts of the mission.

NAVY RATINGS CLOSED TO ENLISTED WOMEN

The following 16 of 99 ratings in the Navy are closed to enlisted women. This is expected to drop to eleven.

AW	Aviation ASW Operator
EW	Electronics Warfare System Technician
FT	Fire Control Technician
FTB	Fire Control Technician, Ballistic Missile
FTM	Fire Control Technician, Missile
GMM	Gunnersmate, Missile
IM*	Instrumentman
ML*	Moulder
MT	Instrumentation Technician
OM*	Opticalman
PI*	Precision Instrumentman
PM*	Pattern Maker
ST	Sonar Technician
STG	Sonar Technician, Surface
STS	Sonar Technician, Submarine
CTI	Communications Technician Intexivative

*Expected to be opened when 10 USC 6015 ammended.

MARINE CORPS OCCUPATIONAL FIELDS CLOSED TO ENLISTED WOMEN

The following 4 of the 38 USMC occupational fields are closed to enlisted women.

03	Infantry
08	Artillery
18	Tanks and Amphibious Tractor
75	Pilots Flight Crews

CURRENT LEGAL STATUS OF EXCLUSION OF WOMEN IN THE NAVY FROM CERTAIN SHIPBOARD ASSIGNMENTS

Women in the Navy have been restricted in receiving shipboard assignments by 10 U.S.C. 6015 (1976), which provides:

> The Secretary of the Navy may prescribe the manner in which women officers appointed under section 5590 of this title, women warrant officers, and enlisted women members of the Regular Navy and the Regular Marine Corps shall be trained and qualified for military duty. The Secretary may prescribe the kind of military duty to which such women members may be assigned and the military authority which they may exercise. However, women may not be assigned to duty in aircraft that are engaged in combat missions nor may they be assigned to duty on vessels of the Navy other than hospital ships and transports.

Because the Navy has no ships within the excepted category, the statute has produced an absolute bar against shipboard service by women. In Owens v. Brown, 1/ Judge John J. Sirica ruled that the Navy could not rely on section 6015 "as the sole basis for excluding . . . women" from shipboard assignments. 2/ He added, however, that his order did not "affect the ability of [the Navy] to prescribe the duty assignments of Navy women based on any criterion other than the reflected in" section 6015. 3/ Judge Sirica noted that the statute restricted the range of duties assignments available to female members of the Navy, with adverse consequences both in service and in civilian life. 4/ He was careful to point out, however, that the case did not involve an issue of whether the Navy should be fully integrated or whether women should have an equal opportunity to receive assignments as combatants aboard Navy ships. 5/ He wrote that "the question presented is the reasonableness of a statutory bar that draws no distinctions based on considerations of military effectiveness among any of various assignments available to Navy personnel on ships." 6/

1/ Civ. No. 76-2086 (D.D.C. July 27, 1978).

2/ Id., Order at 2.

3/ Id.

4/ Id., Opinion at 3-5.

5/ Id., at 30-31

6/ Id.

The key flaw in the statue, according to Judge Sirica, involved the absolute bar on the exercise of discretion of Navy authorities "to assign female personnel to noncombatant duties for which they are or can be qualified." 7/ In the opinion, Judge Sirica commented favorably on proposals from the Department of the Navy to remove the absolute legislative bar. 8/ By contrast, he stated that Congress had acted arbitrarily and without any demonstrable concern for military effectiveness when it had passed section 6015 in 1948. 9/ This bar, absent a reasonable legislative justification based upon a military need, constituted a violation of the constritutional right of the plaintiffs: 10/

> The core protection afforded by the equal protection component of the fifth amendment is that laws favoring members of one gender and disadvantaging members of the other be reasonable and...substantially related to the achievement of some important objective.... Because section 6015 operates to bar an entire sex from a wide, though by no means unlimited range of career and service opportunities from which the highest military authorities have determined them to be qualified, the sweep of the statue is too broad to pass muster.

Although he struck down the blanket prohibition in section 6015 on the exercise of discretion by the Secretary of assign women, Judge Sirica made it very clear that he did not intend to circumscribe the Navy's availity to use assignment policies based upon military needs: 11/

7/ Id. at 31.

8/ Id. at 12. The present version of the Navy proposal which is contained in the pending Department of Defense Authorization Bill, provides: The last sentence of section 6015 of title 10, United States Code, relating to restrictions on the assignment of women members of the Navy, is amended to read as follows: However, women may not be assigned to duty on vessels or in aircraft that are engaged in combat missions nor may they be assigned to other than temporary duty on vessels of the Navy except hospital ships, transports, and vessels of a similar classification not expected to be assigned combat missions.

9/ Owens v. Brown, Opinion at 27-29.

10/ Id. at 33 (citations omitted).

11/ Id. at 37.

> [N]othing in this decision is meant to shape the contours of Navy policy concerning the utilization of female personnel... [T]here remain many unanswered questions about the effects of full sexual integration that may well convince military authorities that women members should be excluded from shipboard combat assignments, or even from permanent assignment to some noncombat positions. or for that matter, from all shipboard duties until such time as the vessels are properly equipped and crew members properly trained to accommodate their female counterparts. Those are essentially military decisions that are entrusted to executive authorities and the court expresses no view whatever on what their outcome should be. But what the Court is requiring is that executive authorities move forward in measured steps to approach these issues free from the absolute bar erected by section 6015.

The Owens decision requires that assignment policies for women be based upon the requirements of military effectiveness. The amendment to section 6015 in the pending Department of Defense Authorization Bill broadens the opportunity for the Secretary of the Navy to exercise his discretion in making shipboard assignments for women. The amendment reflects an executive and legislative determination based upon present military requirements. Judge Sirica clearly recognized the desirability of similar legislation; 12/ and it constitutes the type of measured step contemplated in his opinion.

12/ Id. at 12.

8 May 1978

DoD Comparative Study of Lost Time for Men and Women

On May 11, 1977, The Deputy Assistant Secretary of Defense for Military Personnel Policy requested that the Services collect lost duty time data on a representative sample of men and women for the period July 1, 1977 to December 31, 1977 for the following categories: AWOL, returned deserters, illness and injury, abortion, pregnacy, child care, alcohol abuse, and drug abuse. The Army subsequently requested to add pretrial confinement and confinement to the list.

The reported data is summarized in Table 1. It is measured in duty manhours lost per month per military person. For purposes of this report, a day AWOL or ill was considered eight hours of lost time. A working month would include 168 duty man hours.

For the data elements reported, women appeared to have more lost time than men in the Army and Air Force and less lost time than men in the Navy. The Marine Corps data was not reported in a form which could be used on the table, but the Marine Corps stated that time lost for women was less than time lost for men.

One must remember that the results are based on samples (4% for Army, 7% for Air Force, and variable for Navy and Marine Corps) which were not scientifically selected. Thus, the results do not necessarily represent statistically valid average lost times for all men and women in each Service. Perhaps the most significant observation from the table is the range of findings from a low of 1.3 hours per month per Air Force man to a high of 9.5 hours per month per Army woman. All points in this range are reasonable and do not appear excessive.

It also is important to recognize that this study did not intend to measure all of the nonproductive time lost. Clearly not all of the remaining 159 to 167 manhours per month were used productively. The Air Force is conducting a more intensive research effort into lost time. Preliminary results of their study indicate a total lost time of 23.4 hours per month per man and 25.1 hours per month per woman.

The conclusion of both the limited DoD-wide survey and the more intensive Air Force work is that the difference in lost time for men and women should not be a major management concern. Of course, every effort is made to reduce unnecessary lost time for both men and women.

Table 1

Manhours Lost Per Month Per Person

	ARMY		NAVY		AIR FORCE	
	Men	Women	Men	Women	Men	Women
AWOL	.18	.08	.44	.15	.02	.01
Returned Deserters	*	*	2.27	.37	.01	.01
Illness and Injury	2.75	6.17	1.49	2.36	1.14	2.75
Abortion	-	**	-	.06	-	.04
Pregnancy	-	3.00	-	.29	-	1.66
Child care	.11	.21	.34	.39	.09	.16
Alcohol abuse	.08	.00	.36	.20	.04	.02
Drug abuse	.03	.01	.05	.02	***	***
Pretrial Confinement	.05	.00	*	*	*	*
Confinement	.11	.03	*	*	*	*
Total	3.31	9.50	4.96	3.85	1.30	4.66

* Not sampled

** Included with pregnancy

*** Included with alcohol abuse

14 Feburary 1978

Honorable Thomas P. O'Neill, Jr.
Speaker of the House of Representative
Washington, D.C. 20515

Dear Mr. Speaker:

This letter is provided by the Department of Defense in response to Section 303 of P.L. 95-79, which states:

> "For the purpose of promoting equality and expanding job opportunities for the female members of the Armed Forces, the Secretary of Defense shall within six months from the enactment of this section, submit to the congress a definition of the term 'combat,' together with recommendations on expanding job classifications to which female members of the armed services may be assigned, and recommendations on any changes in law necessary to implement these recommendations."

Definition of Combat. The term "combat" refers to "engaging an enemy or being engaged by an enemy in armed conflict." Under current practices, a person is considered to be "in combat" when he or she is in a geographic area designated as a combat/hostile fire zone by the Secretary of Defense. Members of the armed forces, not in a designated combat/hostile fire zone, may be designed as being "in combat" by the Secretary of Defense based on specific circumstances and events. These definitions apply to men and women of all the services.

A servicemember in combat is authorized to receive combat/hostile fire pay and earn combat awards. Women have served in combat in many skills during World War II, Korea, and Vietnam. Army nurses have served in combat for over a hundred years, although they and other medical personnel are considered noncombatants. Since the word "combat" has historically been used to include such a broad range of activities, the Department of Defense does not believe that the term provides a useful basis for expanding the opportunities for women in the service.

Expanding Opportunities for Female Members

Before 1970, less that 1% of the enlisted force was female. As shown on the attached table, this Administration is expanding the role of women. The Department of Defense plans to increase from 6% females in 1977 to 11% by 1983. Over 95% of military occupations are now open to women. The role of women probably has changed most in the Army, in part because there are no legal constraints. Almost 7% of Army enlisted personnel

are women and that will increase to about 12% in 1983. Army unit commanders employ women to accomplish unit missions throughout the battlefield. The Army accepts the fact that women may be exposed to close combat as an inevitable consequency of their assignments, but does not now assign women to units where, as a part of their primary duties, they would regularly participate in close combat. Close combat involves engaging an enemy with individual or crew-served weapons while being exposed to direct enemy fire, a high probability of direct physical contact with the enemy's personnel, and a substantial risk of capture.

In the Army, women are now assigned to all units except infantry, armor, cannon filed artillery, combat engineers, and low altitude air defense artillery units of battalion/squadron size or smaller and in all military occupational specialties except those concentrated in such units. For example, women are assigned to combat support and combat services support units in divisions, including maintenance battalions, communications battalions, brigade level headquarters, and certain artillery units.

Unlike the Army, the Navy and Air Force have legal constraints on assignment of women. The current law (10 U.S.C. 6015 and 8549) precludes women in the Navy and Air force from being assigned duty in aircraft engaged in combat missions. In practical terms, 10 U.S.C. 6015 has the effect of excluding women from serving aboard Navy ships. A combat mission is a mission of a unit, ship, aircraft or task organization which has as one of its primary objectives to seek out, reconnoiter, or engage an enemy.

The Air Force has planned for continued expansion within the context of the current law. Women now comprise over 7% of the Air Force enlisted strength. The Air Force plans to increase that percentage to 15% by 1983, even under the current laws. Essentially, all military occupations in the Air Force are open to women except the aircrew positions restricted by the combat mission provisions of the law.

The Navy, however, is severely limited by current law. The Navy has increased assignments for women to the maximum extent practical within the constraints of current law. In the Navy, the restriction on shore positions associated with sea/shore rotation multiplies the impact of excluding women from service on ships. The Navy cannot increase female strength as projected in the attached table unless 10 U.S.C. 6015 is repealed or modified. At least some relief from 10 U.S.C. 6015 is needed this spring. With Congressional relief, the Navy will provide female midshipmen summer training similar to the males, will begin to build a base of women in seagoing skills, and will further increase opportunities for women in occupations not open to women.

Legislation

Legislation is needed to modify the restrictions on assignment of women in the Navy and Air Force contained in 10 U.S.C. 6015 and 8549. The

Department of Defense urges enactment of H.R. 7431, which would permit assignment of women in the Navy to hospital ships, transports, and vessels of a similar classification not expected to be assigned combat missions, and would permit women to be assigned to temporary duty on other vessels not engaged in combat missions. This legislation will provide for the immediate need of the Navy to accomodate the training requirements of women now attending the Naval Academy. The best long-term solution is to repeal both 10 U.S.C. 6015 and 8549. The Secretaries of the Military Departments should set policy for, monitor, and review the assignment of women within their respective departments. The Secretary of Defense should review and approve the programs of the services and insure compatibility among the services. A legislative proposal to accomplish this long-term goal will be submitted by the Department to the Congress in the near future.

Sincerely,

//s//

CHARLES DUNCAN
Deputy Secretary of Defense

CDSN = SCD802 MCN = 77251/13571 TOR = 772512059
RTTUZYUW RUEADWDO085 2512058-UUUU--RUEAPPP.
ZNR UUUU
R 082058Z SEP 77
FM HQDA DAPE-MPE-CS/WASH DC
TO AIG 7406
INFO RUCNFIN/CRDUSAFAC/FT BENJ HARRISON, IN/ATTN:
RUCNFIN/EVALUATION OF WOMEN IN THE ARMY GROUP/
BT

UNCLASS

SUBJECT: EMPLOYMENT OF WOMEN SOLDIERS

1. A RECENT DA STUDY OF WOMEN SOLDIER EMPLOYMENT INDICATED THERE ARE DIFFICULTIES ASSOCIATED WITH THEIR ASSIGNMENT TO ADDITIONAL DUTIES AND PERCEPTIONS EXIST THAT ARMY POLICY PRECLUDES THEIR EMPLOYMENT FORWARD OF THE BRIGADE REAR BOUNDARY.

2. THE PURPOSE OF THIS MESSAGE IS TO CLARIFY ARMY POLICY CONCERNING THE ABOVE AREAS:

A. ARMY WOMEN WILL NOT BE ASSIGNED TO CATEGORY I UNITS NOR AWARDED COMBAT OR CLOSE COMBAT SUPPORT MOS (CHAPTER 4, AR 611-201 WOMEN IN COMBAT FORCES AS COMBATANTS (AS DEFINED IN AR 310-25, DICTIONARY OF UNITED STATES ARMY TERMS). THEY WILL BE TRAINED TO DEFEND THEMSELVES INDIVIDUALLY AS WELL AS PARTICIPATE IN THE UNIT DEFENSE OF COMBAT SUPPORT AND COMBAT SERVICE SUPPORT UNITS AND SHOULD BE EMPLOYED BY UNIT COMMANDERS IN THE SAME MANNER AS MALE SOLDIERS.

B. UNIT COMMANDERS ARE AUTHORIZED TO EMPLOY WOMEN TO ACCOMPLISH UNIT MISSIONS THROUGHOUT THE BATTLEFIELD SO LONG AS THE COMBAT EXCLUSION POLICY (PARA 2A, ABOVE) IS NOT VIOLATED. WOMEN ARE NOT EXCLUDED FROM PERFORMANCE OF MISSION DUTY FORWARD OF THE BRIGADE REAR BOUNDARY.

C. SOLDIERS WILL NOT BE EXCUSED FROM THE PERFORMANCE OF UNIT DUTIES SOLELY ON THE BASIS OF GENDER.

3. COMBAT EXCLUSION POLICY FOR WOMEN AS WELL AS OTHER FACETS ARE CURRENTLY UNDER REVIEW. UPON COMPLETION OF THIS EFFORT, THE ABOVE POLICIES WILL BE REVISED AS APPROPRIATE AND PUBLISHED IN APPLICABLE REGULATIONS.

4. REQUEST THE ABOVE RECEIVE THE WIDEST DISSEMINATION.

BT
ACTION ADDRESSEES

CDSN = SCD881 MCN = 73062/17777 TOR = 780622231
RTTUZYUW RUEADWDO419 0622227-UUUU--RUEAPPP.
ZNR UUUUU
R 032227Z MAR 78 ZOC ZEO T ALL US ARMY REPS AND ACTIVITIES
FM HQDA WASH DC//DAPE-MPE//
TO ALARACT
BT

UNCLAS ALARACT 004/78

ROGERS SENDS

SUBJECT: WOMEN IN THE ARMY

1. IN THE LAST FIVE YEARS THE NUMBER OF WOMEN IN THE ACTIVE ARMY HAS MORE THAN TRIPLED WHILE AN EVEN GREATER INCREASE HAS OCCURRED IN THE RESERVE COMPONENTS. THESE INCREASES AND THE ENTRANCE OF WOMEN INTO MANY NONTRADITIONAL SKILLS PRESENT CHALLEGES. THE PURPOSE OF THIS MESSAGE IS TO EMPHASIZE THE ARMY'S COMMITMENT TO THE INTEGRATION OF WOMEN AND TO PROVIDE FUNDAMENTAL GUIDANCE TO ENSURE THIS INTEGRATION IS COMPLETED SMOOTHLY AND RAPIDLY.

2. TODAY, WOMEN ARE SUCESSFULLY PERFORMING A WIDE VARIETY OF DUTIES MANY OF WHICH WERE CONSIDERED SOLELY IN THE MALE DOMAIN JUST A FEW YEARS AGO. A RECENTLY APPROVED COMBAT EXCLUSION POLICY OPENED MORE SPECIALTIES TO WOMEN THAN EVER BEFORE. HOWEVER, EQUAL TRAINING FOR MEN AND WOMEN WAS ONLY RECENTLY IMPLEMENTED. CONSEQUENTLY, MANY WOMEN IN THE ARMY HAVE NOT RECEIVED ALL THE TRAINING IN SOLDIER SKILLS NEEDED TO PERFORM THEIR DUTIES. UNIT COMMANDERS MUST PROVIDE FOR THESE WOMEN ADDITIONAL INDIVIDUAL TRAINING AS REQUIRED AND ENSURE THEIR FULL PARTICIPATION IN UNIT TRAINING, FIELD EXERCISES AND UNIT DUTIES SUCH AS PERIMETER GUARD.

3. QUALIFIED WOMEN NOW HAVE THE OPPORTUNITY TO SERVE IN ALL BUT A FEW SPECIFIC COMBAT UNITS AND COMBAT SPECIALTIES. IN AVAILING THEMSELVES OF THAT OPPORTUNITY WOMEN, LIKE THEIR MALE COUNTERPARTS, MUST ACCEPT THE RESPONSIBILITY FOR SHARING ALL RISKS AND ENDURING ALL HARDSHIPS INHERENT IN THEIR SPECIALTY. SOME PEOPLE BELIEVE THAT WOMEN SOLDIERS WILL NOT BE DEPLOYED IN THE EVENT OF HOSTILITIES: THAT THEY ARE ONLY TO BE PART-TIME SOLDIERS - HERE IN PEACE, GONE IN WAR. SOME WOMEN ARE BEING USED IN SKILLS OTHER THAN THOSE FOR WHICH THEY WERE TRAINED AND SOME ARE BEING EXCUSED FROM PERFORMANCE OF UNIT DUTIES. THE ARMY CANNOT OPERATE EFFECTIVELY IN THIS MANNER. WOMEN ARE AN ESSENTIAL PART OF THE FORCE; THEY DEPLOY WITH THEIR UNIT AND THEY WILL SERVE IN THE SKILLS IN WHICH THEY HAVE BEEN TRAINED.

4. THOSE OF US IN AUTHORITY MUST REAFFIRM OUR CONVICTION THAT WOMEN ARE AN INTEGRAL PART OF THE ARMY. WITH THIS IN MIND, WE MUST ENSURE THAT WOMEN ARE PROVIDED AN EQUITABLE OPPORTUNITY FOR ASSIGNMENT IN THEIR SPECIALTY, ARE GIVEN ADEQUATE TRAINING AND ARE HELD RESPONSIBLE FOR THE FULL RANGE OF DUTIES PRESCRIBED FOR THEIR ASSIGNED POSITIONS.

5. THE FIRST CONSIDERATIONS IN THE ASSIGNMENT OF WOMEN IN THE ARMY HAVE BEEN, AND WILL CONTINUE TO BE, THE MISSION OF THE ARMY ITSELF, AND THE UNIQUELY DEMANDING NATURE OF ARMY SERVICE IN WARTIME. WITHIN THAT CONTEXT, WOMEN CAN MAKE MANY IMPORTANT CONTRIBUTIONS; INDEED, THEY ARE DOING SO NOW. THE BURDEN WHICH RESTS ON LEADERS AT EVERY LEVEL IS TO PROVIDE KNOWLEDGEABLE, UNDERSTANDING, AFFIRMATIVE AND EVEN-HANDED LEADERSHIP TO ALL OUR SOLDIERS.

BT

ACTION ADDRESSEES

000 ALARACT (DA MEMO 105-1 APPLIES)

#0419

GALLUP YOUTH SURVEY

By George Gallup

PRINCETON, N.J. - American teenagers of both sexes favor women serving with men in a variety of combat roles during wartime.

When the Gallup Youth Survey recently questioned a representative national cross section of American teenagers on their attitudes toward women in the military, it found that teens consider it appropriate for women in the Air Force to serve as combat pilots and for women in the Army or Marine Corps to fight as ground troops in combat units alongside men, in the case of war.

Nationally, fully two teenagers out of every three (68 percent) express the view that women should be allowed to serve as combat pilots.

And while the margin of approval is smaller, a 53 percent majority of teens voice the opinion that women members of the ground forces should be permitted to serve in traditional foot-soldier's combat capacities.

What may surprise some adult observers is that on both issues involving female participation in presently all-male military functions, there is every bit as much support from teenage girls as there is from boys.

As a case in point, the concept of women as combat pilots get the nod from 70 percent of girls and 66 percent of boys. As for women soldiers fighting beside men in the front lines during war time, 51 percent of boys approve, while 56 percent of girls do so. (In each instance, the small differences between the two sets of figures are statistically insignificant).

On each of the two combat questions, there is also slightly more support for female participation in combat duties on the part of teenagers from white-collar families and teens whose fathers had some college training.

Teenagers living in the South are least receptive to combat functions for women--indeed, a 49 percent plurality in this region opposes women soldiers or marines serving in frontline units--the only group in which less than an outright majority supports this type of wartime service.

But while this finding might prompt some readers to conclude that chivalry is making a last ditch stand in the South, the difference in regional attitudes are not large enough to warrant such a conclusion.

In fact, when teenagers are asked why women should not be permitted to serve in combat roles, the attitude that such activities are "unladylike" or not "genteel" is not mentioned at all, either in the South or anywhere else in the country.

Typical of the views of teenagers who believe that a woman's place is not in the foxhole, even in time of war, are these comments of a 15-year-old boy:

> "Women generally do not have the strength and stamina of men and they would probably not be able to handle combat duties. In fact, they might even be more of a hindrance than an asset in some situations."

While there are quite a few different reasons underlying the majority opinion that women should be permitted to perform in combat positions, the most prevalent is illustrated by these remarks of a 15-year-old girl:

> "Women have the right and the responsibility to do what men do. In this country, there are plenty of strong, brave women who would be proud and happy to serve the U.S.A."

The findings are based on telephone interviews with a representative national sample of 1,179 teenagers, 13 to 18 years old, during the period February 24-March 6, 1978.

Following are the questions asked and the principal findings:

WOMEN AS COMBAT PILOTS?

	Approve	Disapprove	No Opinion
NATIONWIDE	68%	28%	4%
Boys	66	30	4
Girls	70	26	4
Both Sexes			
13-15 years old	68	28	4
16-18 years old	68	28	4
White-collar family	71	25	4
Blue-Collar family	67	28	5
Father's Education			
College or more	75	23	2
High school or less	66	29	5
East	70	27	3
Midwest	70	26	4
South	62	33	5
West	73	21	6

WOMEN IN COMBAT UNITS?

	Approve	Disapprove	No Opinion
NATIONWIDE	53%	43%	4%
Boys	51	45	4
Girls	56	40	4
Both Sexes			
13-15 years old	53	43	4
16-18 years old	54	42	4
White-collar family	57	39	4
Blue-collar family	50	46	4
Father's Education			
College or more	59	37	4
High school or less	51	45	4
East	56	41	3
Midwest	55	41	4
South	47	49	4
West	56	39	5

APPENDIX I

MILITARY RETIREES

AS

MOBILIZATION ASSETS

William G. Stewart

22 March 1978

Prepared for
Director of Special Studies
OASD (MRA&L)

CONTRACT MDA 903-77-C-0151

LINTON & COMPANY, INC.
1015 18TH Street, N.W.
Washington, D.C. 20036

APPENDIX I

MILITARY RETIREES AS MOBILIZATION ASSETS[1/]

Wartime Manpower Problems

During the past few years manpower planning for wartime has revealed an apparent shortage in the early months of a major war. The Army reports a large deficit, the Navy and Air Force somewhat smaller problems. Only the Marine Corps has reported assets adequate to meet the demand.

This situation emphasizes the need for the Department of Defense to seek better use of all sources of wartime manpower. Retirees are one major source which has not been analyzed in much detail as a mobilization assets. This study sets out to take the first steps in such an analysis. It is expected that the Services can then make a more detailed examination.

Numbers, Availability and Characteristics

The primary sources of data on retirees used in the study were the Defese Manpower Data Center (DMDC) and the OSD Actuary. DMDC provided printouts on non-disability retirements for each Service and category of retirees (such as regular officers) for each year from FY 1971 through FY 1977 and projections for FY 1978 through FY 1982 (except no projections were available for Navy officers). These provided the basic historical and projected information on numbers by years service, one digit occupation code, age and grade. OSD Actuary reports then provided total numbers of retirements by year, Service and category for earlier years. The percentages within each Service and category for the base years FY 1971-1976 were used to estimated the pre-FY 1971 distributions for years service, occupation code, age and grade.

Categories initially considered were:

(1) Regular Enlisted between their 20th and 30th service anniversaries (Fleet Reserve, Fleet Marine Corps Reserve, Army "Field Reserve" and Air Force "Flight Reserve")

(2) Regular Enlisted past their 30th service anniversary

(3) Regular Officers

1/ Please note that references to the "study" refer to the Linton Study and not the AVF report. This Appendix is a summary from the Linton Study.

(4) Reserve Officers who retired with 20 or more years active service

(5) Reserve Enlisted who retired with 20 or more years active service

The specification of retirement after 20 or more year active service was an important one in the case of reservists because other retired reservists were judged too uncertain as to degree of experience to be considered as assured mobilization assets. As it developed no Service has significant numbers of retired enlisted reservists who retired after 20 years or more of active duty so category (5) was not considered further.

The desired products of the study were the numbers and characteristics of those available for active duty in each service and retiree category in FY 1978 and FY 1982. The first step toward that objective was to choose a method of estimating availability. The selected formula was 90% available during the fiscal year of retirement and 5% less with each additional year. In addition, none over 60 years of age were considered available.

Service planners may need to consider smaller groups within any retiree category. To assist in such cases, this study gives available numbers and characteristics for the year of interest (FY 1978 or FY 1982) and for the cumulative total back through each retirement year applicable to the category concerned. This information is in the first two tables of Annexes B-E in each chapter which follows. 2/

Grade and occupation received a different treatment. The average grade distribution during the FY 1971-1976 period provided the basis for all estimates of grade distribution. The FY 1978-1982 projections, along with the FY 1971-1976 averages, provided the bases for estimates of the distribution across occupation codes. The last two tables of Annexes B-E under each Service cover grade and skill distributions. 2/

Table 1 summarizes the information for all Services on available numbers and characteristics. It is perhaps surprising that 428,000 trained and experienced military retirees should be available for mobilization. It is clear that there are appropriate positions for even that many retirees. In FY 1978 there are 598,700 active military assigned to Mission Support and Central Support Forces. Replacing two-thirds of those with retirees will release large numbers of younger active members for reassignment to combat elements, where the shortages occur. Obviously those reassigned must either have the requisite combat skills now or be trained in them (preferably in peacetime for maximum availability).

2/ Note that this refers to the study made by Linton & Company. Please refer to that study for further detailed information.

Table 1 indicates that the available retirees are mostly in their forties and have not been retired too long to preclude a rapid return to full effectiveness. The largest category, Regular Enlisted (20-30 years) average 45 years of age, 21 years of active service and 4 years of retirement. The average of all those expected to be available is 48 years of age, 22 years active service and 5 years of retirement. There are some differences among the Services, but generally they are not large.

This table seems to indicate that retirees are a very valuable resource if they can be recalled to active duty.

Legal Basis for Retirement and Recall to Active Duty

With such resources potentially available, it is important to examine their legal status. Most important in this regard is the authority for their recall to active duty. The focus of this study on this subject has been the authority under current law and not possible changes to current law.

There is not a widespread understanding of either the status in general or the recallability in particular of military retirees. This is especially true for retired regulars, who represent 94% of the available retired mobilization assets. Until recently there was never a projected lack of wartime manpower based on the sources traditionally considered (Active, Selected Reserve, IRR, Standby Reserve and Selective Service). Thus the examination of the recall-ability of retirees appeared somewhat academic.

This study reveals that most of the retirees are more readily available than all of the traditional sources except the active forces. Callup of reservists normally requires a war or national emergency. Up to 1,000,000 Ready Reservists can be called up without their consent for two years in a national emergency declared by the President. Retired Reserves are less available than that, requiring a war or Congressionally declared national emergency. The availability of retired regular members of the Navy and Marine Corps equals that of the 1,000,000 Ready Reservists. Retired regulars of the Army and Air Force, however, can be recalled by the President at any time without any legal restrictions. The available retired regulars of these two Services total 279,000 in FY 1978, or 65% of all available retirees. These 279,000 represent the most readily available trained manpower to augment the active forces in peace or war.

One subset of retired regulars of the Army and Air Force deserves special attention. It consists of the regular enlisted members who retire between their 20th and 30th service anniversaries. The law specifies that they shall be transferred to the reserve until their 30th service anniversary. Apparently this provision was intended to make them more available for callup during this period. If, however, they were removed from the regular retired rolls, the result would be to make

them far less available. Fortunately, they retain their regular retired status, as well as being reservists, and thus remain as highly available as other Army and Air Force regular retirees.

Table 2 shows the general status and recallability of retirees by Service and category. Annex A under each service chapter 3/ covers the legal basis for retirement and recall to active duty in more detail.

Conclusions

1. Military non-disability retirees are a major mobilization asset, with an estimated 428,000 available.

2. Available retirees are young enough (average 48 years) and recently enough retired (average five years) to permit a rapid return to full effectiveness.

3. If skills match, recalled retirees could relieve 71% of the active military manpower (598,700) now assigned to Mission Support and Central Support Forces, permitting the active members to be reassigned to combat elements where the shortages will occur.

4. Retired regulars are more readily available than retired reserves, and Army and Air Force retired regulars more than Navy and Marine Corps retired regulars.

5. Currently only the Fleet Reserve and Fleet Marine Corps Reserve receive regular training and physical examination, but authority exists to begin similar programs with all Army and Air Force retired regulars.

6. The Services should screen their retirees, particularly their regular retirees, and those capable of serving effectively should receive mobilization assignments.

7. The retired regulars of the Army and Air Force, the Fleeet Reserve and the Fleet Marine Corps Reserve could then receive periodic training in their mobilization assignment.

8. In the absence of any declaration of war or national emergency the primary trained assets available to strengthen the force quickly consist of the Army and Air Force retired regulars (279,000), who could be called up indefinitely, and some Fleet Reserve and Fleet Marine Corps members who might be called up for two months training (perhaps 35,000).

9. New legislation does not appear to be required and seeking it for minor gains would risk losing some current authority and flexibility.

3/ Note that this refers to the study made by Linton & Company. Please refer to that study for further detailed information.

TABLE 1

SUMMARY INFORMATION ON NON-DISABILITY MILITARY RETIREES CONSIDERED AS MOBILIZATION ASSETS, FY 1978

Category (Retirement FY Considered)	Service	Retired in the Period[1]	Estimated Available[1]	Estimated Combat Available[1]	Average for Avail. Retirees			Typical (Modal)	
					Age	Years Svc.	Years Ret.	Occup Code[2]	Grade
Regular	Army	82	56	11	45	21	4	Admin.	E7
Enlisted	Navy	82	58	6	47	20	3	Maint.	E7
20-30 yrs.	MC	18	12	1	48	21	4	Admin.	E7
service	AF	171	117	3	44	21	4	Admin.	E6
(FY 69-78)	DOD	353	244	22	45	21	4	Admin.	E7
Regular	Army	135	37	7	54	24	10	Admin.	E7
Enlisted	Navy	95	28	3	56	23	10	Maint.	E7
Retired	MC	16	5	1	57	23	10	Admin.	E7
List	AF	123	36	1	52	23	10	Admin.	E6
(FY 61-78)	DOD	368	106	12	54	23	10	Admin.	E7
Total	Army	217	94	18	49	22	6	Admin.	E7
Enlisted	Navy	177	86	9	50	21	6	Maint.	E7
(Retirement	MC	33	17	2	51	21	5	Admin.	E7
periods	AF	294	154	4	46	22	5	Admin.	E6
mixed)	DOD	721	350	33	48	22	6	Admin.	E7
Regular	Army	26	11	5	51	26	4	Combat	O6
Officers	Navy	37	16	2	50	25	5	Maint.	O4
(FY 61-78)	MC	9	4	2	48	23	5	Combat	O5
	AF	42	21	8	51	25	4	Combat	O5
	DOD	114	52	17	50	25	4	Combat	O5
Total	Army	243	105	23	48	23	6	Admin.	E7
Regulars	Navy	214	102	11	50	22	5	Maint.	E7
(Retirement	MC	43	21	4	50	22	5	Admin.	E7
Periods	AF	336	174	12	47	22	5	Admin.	E6
Mixed)	DOD	835	402	50	48	22	5	Admin.	E7
Reserve	Army	38	16	4	49	22	6	Maint.	O5
Officers	Navy	4	1	-[3]	53	25	7	Admin.	O4
(FY 61-78)	MC	1	-[3]	-[3]	49	23	6	Combat	O5
	AF	15	8	5	48	20	6	Combat	O4
	DOD	58	25	9	49	22	6	Combat	O5
Total	Army	64	27	9	50	24	5	Combat	O5
Officers	Navy	41	17	3	50	25	5	Admin.	O4
(FY 61-78)	MC	10	5	2	48	23	5	Combat	O5
	AF	57	28	13	50	24	5	Combat	O5
	DOD	172	77	27	50	24	5	Combat	O5
Grand	Army	281	121	28	48	23	6	Admin.	E7
Total	Navy	218	103	12	50	22	5	Maint.	E7
(Retirement	MC	44	21	4	50	22	5	Admin.	E7
Periods	AF	351	182	17	47	22	5	Admin.	E6
Mixed)	DOD	893	428	60	48	22	5	Admin.	E7

1/ Thousands.

2/ "Maintenance" includes Electrical/Mechanical Equipment Repair for Enlisted and Engineering and Maintenance for Officers.

3/ Less than 500.

William G. Stewart, Military Retirees as Mobilization Assets, (Washington, D. C.: Linton & Company, Inc., 1978)

TABLE 2

RETIREMENT STATUS AND METHOD OF RECALL TO ACTIVE DUTY (NON-DISABILITY MILITARY RETIREES CONSIDERED AS MOBILIZATION ASSETS) IN FY 1978

			Retirement or Transfer from Active Duty				Recall to Active Duty							
							Peace				War or National Emergency			
								Without Consent				Without Consent		
Category	Service	Numbers Available FY 78	To Retired Reserve until 30 yrs., then Regular Retired List	To Fleet Reserve (or FMCR) until 30 yrs., then Regular Retired List	Directly and permanently to Regular Retired List	Directly and permanently to Retired Reserve	With members' consent	For physicals once each 4 years	For up to 2 months training each 4 years	Anytime by the President	With members' consent	In war or national emergency declared by Congress	In national emergency declared by President	Anytime by the President
Regular Enlisted, Under 30 Years Service	Army	56,469	X				X			X	X	X	X	X
	Navy	57,994		X			X	X	X		X	X	X	
	Marine Corps	12,016		X			X	X	X		X	X	X	
	Air Force	117,281	X				X			X	X	X	X	X
Regular Enlisted, Over 30 Years Service	Army	37,216	Most		Some		X			X	X	X	X	X
	Navy	28,294		Most	Some		X				X	X	X	
	Marine Corps	4,592		Most	Some		X				X	X	X	
	Air Force	36,370	Most		Some		X			X	X	X	X	X
Regular Officers	Army	11,230			X		X			X	X	X	X	X
	Navy	15,761			X		X				X	X	X	
	Marine Corps	4,321			X		X				X	X	X	
	Air Force	20,647			X		X			X	X	X	X	X
Reserve Officers	Army	16,183				X	X[1]/				X[1]/	X[2]/		
	Navy	1,142				X	X[1]/				X[1]/	X[2]/		
	Marine Corps	447				X	X[1]/				X[1]/	X[2]/		
	Air Force	7,697				X	X[1]/				X[1]/	X[2]/		
Pre-mobilization Assets							Unknown	-	31,000 (2 months)[3]/	279,000	-	-	-	-
War or National Emergency Assets							-	-	-	-	428,000	428,000	407,000	279,000

1/ For National Guard, also requires consent of Governor or corresponding official.

2/ Plus certification of requirement by service Secretary and approval by Secretary of Defense.

3/ Assuming half of Fleet Reserve and Fleet Marine Corps Reserve have not yet had their two months training during their current four-year period.

APPENDIX J

CHANGES IN EXISTING SELECTIVE SERVICE LAWS TO IMPROVE THE EFFECTIVENESS AND FAIRNESS OF THE SELECTIVE SERVICE SYSTEM

A REPORT TO THE
SENATE ARMED SERVICES COMMITTEE

December 1978

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
(MANPOWER, RESERVE AFFAIRS AND LOGISTICS)

CHANGES IN EXISTING SELECTIVE SERVICE LAWS TO IMPROVE EFFECTIVENESS AND FAIRNESS OF THE SELECTIVE SERVICE SYSTEM IN THE EVENT IT IS NEEDED

Changes in the Military Selective Service Act

The Department of Defense plans to use the Selective Service System during periods of national emergency or mobilization. This planning is consistent with the All-Volunteer Force. The Department of Defense has a special interest in the following legal issues relating to the Selective Service System.

1. Health Professionals Draft

The Department of Defense is concerned about the capability to procure physicians and other health care professionals during periods of national emergency or mobilization. The current Military Selective Service Act of 1967 (MSSA) does not provide for conscription of health professionals during periods of national emergency or mobilization. As the MSSA is now written, very few physicians would be subject to induction during mobilization. The MSSA provides standby authority for the registration and induction of young men between the ages of 18 and 26.

The current law provides limited capability to induct physicians between the ages 26 and 35. If conscription is authorized, a physician between ages 26 and 35 could be inducted only if he previously requested a deferment as a pre-medical or medical student under section 6(h) of the MSSA. Consequently, some medical students graduating in 1979 and virtually all those graduating thereafter would not be subject to induction since they would have had no occasion after 1973 to request deferment under section 6(h) of the MSSA.

This situation was created when the Physician's and Dentist's Draft Law (Public Law No. 85-26) was allowed to expire 1 July 1973 (see section 103 of Public Law No. 92-129). With the expiration of Public Law No. 85-62, the President no longer has authority to prescribe regulations for medical draft calls for medical, dental and allied specialist categories.

Legislation to give the President standby authority to register and induct health professionals during periods of national emergency or mobilization is an essential part of defense readiness. Therefore, the Department of Defense recommends that the MSSA be amended to give the President standby authority to register and issue special draft calls for physicians and other health professionals. This standby authority, like the standby authority for induction of men between ages 18 and 26, would be subject to activation by Act of Congress.

2. Standby Reservist Eligibility Determination

10 USC §672(a)(2) (1976) provides that no standby reservist may be involuntarily recalled unless Selective Service determines that he is available for service. Selective Service has no system to make these determinations. Consequently, recall of standby reservists during periods of national emergency or mobilization could be delayed. The Department of Defense can perform this function quickly and equitably if required. Therefore, the Department of Defense recommends that 10 USC §672(a)(2) be repealed.

3. Emergency Military Manpower Procurement System (EMMPS)

The Selective Service System's Emergency Military Manpower Procurement System is a centrally managed, computer-based process designed to provide inductees quickly during periods of national emergency or mobilization. Under this concept, induction orders would be issued centrally using automatic data processing equipment as an administrative measure to improve mobilization responsiveness. To make this concept effective on mobilization, the last proviso of MSSA section 5(a)(1) should be amended to permit induction orders to be issued in accordance with rules and regulations promulgated by the President.

Improving the Fairness of the Military Selective Service Act

Local Board Members

MSSA section 10(b)(3) provides that a local board member may be as young as 18. An anomolous situation could arise where a local board would make a determination on one of its members. The MSSA should be amended to provide that no local board make any determination on one of its own members or registrants who are in the immediate family of the local board members.

Modernizing the Military Selective Service Act

The Military Selective Service Act has been in force since 1948. Many provisions which were current as of the time of enactment have now become obsolete. If the satutory language of the MSSA is to be modernized, these provisions should be eliminated. However, these provisions do not hinder mobilization.

1. National Security Training Corps

In 1951, provisions for universal military training were included in the statutory language authorizing a National Security Training Corps (NSTC). With the exception of an experimental cycle after World War II, the United States has not used universal military training. When two provisions of the MSSA were repealed in 1966 [sections 10(k)(3) and 10(k)(4)], it became legally impossible to activate the NSTC. The current law still contains numerous references to the NSTC. These anachronistic provisions should be repealed.

2. World War II Veteran's and Reserve Components Provisions

Sections 6(b)(1) and 6(b)(2) of the MSSA provide exemptions from service for veterans of World War II. The youngest World War II veteran is now about 50 years old. These sections should be repealed.

MSSA section 6(c)(1) provides exemption from service for those persons who were members of an Armed Services Reserve Component unit on 1 February 1951 so long as they continued to serve satisfactorily, or until they completed their MSSA military obligation. The youngest person who could have taken advantage of this provision is now about 43 years old. This section is now obsolete and should be repealed.

3. Numerical Limits to Induction

MSSA section 5(e) sets numerical limits on inductions during FY 1972 and FY 1973. This section is obsolete.

4. Office Selective Service Records (OSSR)

MSSA section 10(a)(4) provides for the reestablishment of the OSSR immediately upon termination of the Selective Service System. This agency would maintain records of questionable value. Consequently, this section should be repealed.

Other Improvements Under Consideration

The President's Reorganization Project (PRP) has completed a comprehensive study of the Selective Service System (SSS). The study addressed three primary issues: (1) the requirements for a standby draft system (2) retaining Selective Service System as an independent agency or merging it with some other organization; and (3) improvements in the internal processes and structure of the draft system to achieve maximum effectiveness and efficiency.

As to the issues of requirements and organization location, the study team concluded that: (1) there is a continuing need for a standby draft system, and (2) the Selective Service System should be located within the Department of Defense while in a standby mode. The study also concluded that the Selective Service System should again become independent if registration or induction should resume. These recommendations and the development of implementing legislation are under review within the Executive Office of the President.

With regard to internal processes, structure and capabilities, the study team's principal findings were that SSS's computer capacity is not adequate to meet DOD's mobilization requirements, and that plans for activating the SSS field structure need to be revised to make them compatible with SSS's highly centralized national computer system. Such changes will increase the Selective Service System's efficiency, effectiveness and ability to insure equity of process to registrants. The study team also found that SSS needs to give top priority to developing plans and procedures that will assure a successful emergency mass registration. These findings and recommendations are being taken into account by the Office of Management and Budget in preparing the President's FY 1980 budget. Recommendations for revising the MSSA are under review within the Executive Office of the President.

APPENDIX K

NATIONAL SERVICE PROGRAMS AND THEIR EFFECTS ON MILITARY MANPOWER AND CIVILIAN YOUTH PROBLEMS

(Summary - Pages xi to xx)

January 1978

THE CONGRESS OF THE UNITED STATES

CONGRESSIONAL BUDGET OFFICE

SUMMARY

To deal with the complex of interacting youth problems confronting the nation, a wide variety of national service programs have been proposed. National Service has meant different things at different times. In the early 1960s, national service programs were implemented as a way to fulfill the desires of youth for voluntary service and to meet foreign and domestic social needs. 1/ As the war in Southeast Asia increased the need for military manpower during the mid-1960s, universal National Service was proposed as a method of military recruitment that would avoid the inequities of the draft. In the late 1960s and early 1970s, National Service was considered as an alternative to extending the draft or implementing the All-Volunteer Force. More recently, National Service has been put forward as a means of dealing with the continuing, severe problem of youth unemployment

CURRENT YOUTH PROBLEMS AND POLICIES

Many issues and problems concerning youth persist. These include: requirements for military manpower, unemployment among teenagers and young adults, unequal and inadequate opportunities for postsecondary education and training, and alienation and lack of social commitment. In response to these problems, a variety of federal programs and policies (which have traditionally been considered separately) have been proposed, implemented, and supported. The armed services rely on youth for most new enlistees, and military recruitment, enlistment, and pay policies are designed to attract qualified young people. Federal education and training programs are shaped to develop employment-related skills and thus improve the employability of young people. Job creation programs--for example, expanded public service employment--have been set in motion to provide work opportunities for otherwise jobless young people. In addition, certain macroeconomic policies increase employment opportunities and reduce the unemployment of youth.

1/ "Youths" encompasses persons between ages 16 and 24.

Difficulties and problems continue to confront each of these policy areas affecting youth.

In spite of the salary increases and changes in military life that accompanied the introduction of the All-Volunteer Force, the armed services (especially the Army and the Reserves) are beginning to experience shortfalls in the enlistment of higher ability, high school graduates. These shortfalls are expected to rise over the next two decades as the total number of high school graduates declines and the economy improves. Expanded recruiting efforts and higher pay or bonuses for enlistees have been proposed to lessen these future shortfalls.

In spite of expanded federal assistance aimed at students from low- and moderate-income families, the likelihood that a high school graduate will enroll in college continues to depend on his family's income level. Proposed expansions of federal student assistance programs are designed to reduce the influence of family characteristics on enrollment chances. Increased federal aid has also been proposed as a means of ensuring that college enrollments remain steady in spite of declines in the youth population.

In spite of improvements in the economy, youth unemployment--especially among minority and other disadvantaged teenagers--remains substantial. Youth continue to suffer from the problems of discrimination and lack of job-related skills. Overall improvements in the economy and declines in the youth population will bring only slight improvements in the employment conditions of youth. The continuing problems of youth unemployment and underemployment have lead to proposals for further expansion of targeted employment and training programs.

THE EFFECTS OF COMPETITION FOR YOUTH ON THE EFFICACY OF YOUTH PROGRAMS

Youth are not only a target group for each of the various federal youth programs; they are also a limited and changing resource. Youth programs interact and even compete with one another. Declines in the youth population--especially such segments of it as high school graduates--will heighten the competition for youth participants among various activities. For example, policies that stimulate the private economy will lower youth unemployment, and programs that increase educational

enrollment and attainment levels will improve the future employability of youth. But both of these activities may also diminish the attractiveness of military service to potential enlistees. This competition in turn could push up the costs and weaken the efficacy of federal policies.

At present, most of the demand, and thus most of the competition, is for youth who have completed high school. The military prefers high school graduates to nongraduates because of their lower attrition rate and higher performance levels. Colleges, universities, and private employers share the same preference. These competitive demands result in a more constrained supply of more educated youth. For both whites and nonwhites, the rates of unemployment among youth not enrolled in school are lower for those who are high school graduates. 2/

Changes in the size and character of the youth population are likely to increase the competition among federal and federally supported activities for youth. Overall, the number of 16-19 year olds will decrease from 17.0 million to 13.5 million between 1977 and 1990. Over this same period, the number of 16-24 year olds will drop from 37.0 million to 31.5 million. Eighteen year old high school graduates--the group most highly sought after by military recruiters, private employers of youth, and colleges--will decline by almost 19 percent, from 3.2 to 2.6 million.

As the total youth population declines, and with it the number of high school graduates, it will also become more disadvantaged. The nonwhite proportion of the 16-19 year old population will grow from 15.4 percent to 19.2 percent between 1977 and 1990. The nonwhite proportion of the 16-24 year old population will increase from 14.9 percent to 18.3 percent. In spite of projected improvements in the economy and declines in the overall youth population, these shifts indicate a continuing need for compensatory education, training, and employment programs.

The future competition among youth-oriented activities will also be affected by changes in federal policy and the changing size and character of the activities themselves.

2/ The term "nonwhites" is used here to include all blacks, native Americans, Asian Americans, and other nonwhites.

Although college and university administrators are apprehensive about the consequences of a declining youth population, in reality actual enrollment levels have been slowly rising in the postsecondary education sector. A major share of these increases are occuring in two-year community colleges, which have traditionally enrolled more students from lower ability and lower socioeconomic status groups than have other types of postsecondary institutions. These expanding enrollments will also tend to lower the relative attractiveness of noncollegiate training programs and military and civilian employment for these youth. Increased amounts of financial assistance for lower-income students will also make colleges possible alternatives for many lower-income youth who would previously have ruled out college attendance.

Noncollegiate education and training programs in which youth represent either much or all of the participants are expanding dramatically. Expansion of these education and employment opportunities will tend to diminish the relative attractiveness of military and civilian employment. The competitiveness of these expansions will be lessened if eligibility is limited to the most disadvantaged youth--that is, those with lower income, ability, and achievement, and who are high school dropouts--who are not attractive to either private employers or the military.

Changes in the success with which youth participate in the labor force will affect the relative attractiveness of civilian employment. Overall, as aggregate unemployment declines, the employment chances of youth should improve over the next five years, and the relative attractiveness of other youth activities should decline.

Ongoing changes in the nature--and benefits--of military service will probably enhance the attractiveness of the military to young people. Higher pay and improvements in the quality of military life will make military service more attractive. Increases in in-service training should improve the armed forces' ability to compete successfully for participants against civilian employment and training opportunities.

THE OPTIONS FOR NATIONAL SERVICE PROGRAMS AND THEIR POSSIBLE COSTS AND EFFECTS

So far, the proposals for National Service programs have ranged from small efforts--basically, expansions of existing voluntary service or employment and training programs--to major integrations of all federal efforts involving youth. Some concepts call for integrating certain elements--for example, recruiting and screening--of all federal youth activities; others involve total integration of programs. Some proposals would involve mandatory service; others are partly coercive in that they make participation voluntary but require registration.

The range of these alternative concepts of National Service can be represented by three prototypical options:

- Small Targeted Voluntary National Service. This option would make small changes in both civilian and military programs. Those changes made would be designed to improve the interactions and linkages among existing programs. This concept stems from the notion that National Service should coexist with current youth policies and programs and should attempt to better coordinate them. It would be national in terms of geographic coverage, but participation would be limited and voluntary. Jobs and education and training opportunities would be targeted toward the most disadvantaged segments of the youth population.

- Broad-Based Voluntary National Service. This concept is consistent with the idea of National Service as a coordinator of youth policies and programs. It would require a fundamental change in the administrative structure and scope of both domestic and military youth programs. The job and training opportunities offered by such programs, would be available to all youth, but service would be voluntary. Registration could be either voluntary or mandatory. Program interactions would be emphasized.

- Broad-Based Compulsory National Service. A program of this design supports the concept that National Service is a vehicle for satisfying a public service obligation. Such a plan would also require fundamental administrative and programmatic changes but its salient characteristic is that service would be compulsory.

Each of the alternative proposals outlined above can be evaluated against several goals. The most important effects appear to be the impacts on military enlistment, youth employment, educational and training opportunities, and the federal budget.

Military Enlistments. The first option--for small, targeted programs--would have few negative effects on military enlistments, because the domestic jobs it would create would be targeted toward disadvantaged youth, who are not prime prospects for the military. Option two--the broad-based voluntary system--on the other hand, could hurt military recruiting if the new domestic jobs attracted youth away from the military. To avoid potential shortages of military enlistees as a result of competition from domestic programs, an enlistment incentive system would have to be carefully structured and a backup draft mechanism established. The third approach--the broad-based mandatory system--poses no threat to military recruiting, since youth would be required to join the National Service and be channeled into the military.

Based on the available evidence, it does not appear that National Service in a form similar to any of the options described here can be justified on military manpower grounds alone. The added costs of implementing any of the options would substantially exceed the value of the benefits to the military in terms of solving their manpower problems.

Youth Employment. The first option would have only a small impact on youth unemployment. About 200,000 public employment service years could be funded against an outstanding full-time employment deficit of roughly 2.5 million youth aged 16-19. But selectively targeting these jobs toward the estimated 800,000 jobless youth from low-income families could substantially relieve the most severe employment difficulties.

Broad-based voluntary service would have a much larger aggregate effect on employment, but it would also have a broader target audience to attract. With all youth aged 16-20 eligible to participate, this option would offer employment for 1.6 million public service years to a youth population numbering 20 million. Since the system would be totally voluntary, it would have the potential for considerable switching from private to public sector employment. This switching would diminish the positive impact on the total youth unemployment rate.

A universal mandatory system, if it were administratively and Constitutionally feasible, could all but eliminate the joblessness for one age group of youth. To insure that all the National Service requirements were met, this would require not only mandatory service on the part of all youth but also strong administrative controls over their employment opportunities. If these youth opportunities came at the expense of opportunities for other age groups, employment problems might simply be shifted.

Education and Training Opportunities. The extent to which National Service offers remedial training and improvement of skills could prove more valuable in the long run than the simple provision of temporary employment for youth. All three of the options include training and educational opportunity grants. The first in particular emphasizes education and training, since this option is focused on disadvantaged youth. If training opportunities were linked to a requirement for subsequent public service, especially in the military, National Service would integrate potentially competitive activities in a mutually supportive way.

The Federal Budget. The additional budgetary cost of the small voluntary system targeted at disadvantaged youth would be approximately $2.2 billion annually. About half those costs represent the salaries of personnel at the minimum wage ($2.65 per hour). The remainder would be for administration, registration, testing, counselling, and education and training grants.

The cost of the broad-based voluntary option would add approximately $12 billion to the federal budget. Again, youth would be paid the minimum wage and more than three-quarters of the budgetary increment would be used to pay these salaries.

The cost of a mandatory system would be large in comparison to the voluntary options. One whole age group of youth includes almost 4 million males and females. Salaries alone, at the minimum wage, would cost well over $22 billion annually. Administrative and support costs would raise the total incremental budget to $24 billion annually.

The range of effects of National Service proposals are summarized in the following table.

NATIONAL SERVICE OPTIONS: SUMMARY OF EFFECTS

OPTIONS/ EFFECTS	Current Youth Employment	Education and Training Opportunities
Small Targeted Voluntary	Minimal impact on 2.' million teenage 16-19 year o 1 jobless. If properly targeted, could reduce 800,000 poverty level jobless teenage youth by one-fourth. High turnover and difficulty in finding suitable public jobs for youth raises doubts about program's ability to affect a permanent reduction in youth (16-24) unemployment rate.	Proposed 50,000 education/training grants should improve long-run employment opportunities. However, small scale of program would result in minimal effect on total teenage joblessness. Counselling services offered should improve youth job search skills and labor market information. This would enhance participants' future employment prospects.
Broad-Based Voluntary	Large-scale jobs program, if successful could significantly raise youth labor market participation rates and lower unemployment. High turnover and lack of suitable jobs raises doubts about program success. Aside from age (16-20), little control over who volunteers, can result in private- to public-sector job switching and "fiscal substitution," resulting in reduced effect on youth unemployment.	Similar benefits as in Small Targeted for counselling and grants program. Large-scale job opportunities may lessen youth participation in education and training, which would tend to limit their long-term employment prospects.
Broad-Based Mandatory	Massive jobs program would have larger employment impact on youth than voluntary systems. Significant legal and Constitutional problems with coerced domestic service.	Highly uncertain effects on education and training sectors. Deferment policies could encourage school attendance to delay National Service obligation. Baring deferments would create a massive disruption in education system and probably lower long-term employment prospects of many youth.

(Continued)

SUMMARY TABLE (Continued)

OPTIONS/ EFFECTS	Military Manpower	Competition for Youth
Small Targeted Voluntary	If domestic programs targeted at disadvantaged youth and given the small scale of the jobs program, should have minimal negative impact on military enlistments. National registration and testing should provide valuable leads to military recruiters. Linking trainee output of domestic activities to reserves should be a positive benefit to military.	Small scale and selective targeting of domestic programs should minimize adverse competition with military. Some possibility of competition for the more capable male non-high school graduates.
Broad-Based Voluntary	Net effects on active and reserve enlistments highly uncertain. Positive benefits of registration and testing can be negated by loss of volunteers to large-scale, non-targeted, domestic programs.	Lack of targeting greatly increases prospects for adverse competition. Expanding domestic programs in the face of a shrinking youth population could exacerbate future military recruiting difficulties.
Broad-Based Mandatory	Assures adequate supply of military manpower and would resolve reserve force manning problems.	The need to place upwards of 3 million youth in jobs could create competition in other labor markets and drive up unemployment rates for older workers.

(Continued)

SUMMARY TABLE (Continued)

OPTIONS/ EFFECTS	Administrative Changes	Federal Budgetary Changes (Dollars in Millions)	
Small Targeted Voluntary	Initiates national registration, ability and assessment testing, and counselling. Maintains organizational autonomy, but stresses greater policy and program coordination among agencies. Overall, minimal change in current administrative arrangements	Registration Testing Counselling Employment Educ./Training Grants Total Increase	6 10 425 1,400 325 2,166
Broad-Based Voluntary	Economies of scale probably justify combining some agencies such as CETA and ESA and civilianizing the military enlistment processing command. Establishment of a National Service organization essential to manage large-scale job effort. Backup draft mechanism essential to insure inductions could be quickly supplied to military if domestic programs drew off too many potential military volunteers.	Registration Testing Counselling Employment Educ./Training Grants Total Increase	6 27 425 10,000 1,300 11,758
Broad-Based Mandatory	Economies of scale and mandatory nature of program justify combining many elements of various federal agencies such as DoL, DoD, HEW, into a National Service organization.	Registration Testing Counselling Employment Educ./Training Grants Total Increase	6 65 425 23,000 0 23,496

APPENDIX L

THE SELECTIVE SERVICE SYSTEM

MOBILIZATION CAPABILITIES

AND OPTIONS FOR IMPROVEMENT

(Summary - Pages xi to xxi)

November 1978

THE CONGRESS OF THE UNITED STATES

CONGRESSIONAL BUDGET OFFICE

SUMMARY

The size and structure of the Selective Service System during peacetime has been a subject of recurring debate since the transition to an all-volunteer force began in the early 1970s. With the end of peacetime conscription, Selective Service was reduced to a caretaker operation, conducting neither registration nor classification. Yet, it is widely agreed that the current standby posture of Selective Service is unsatisfactory. It does not provide adequate assurance that it could meet the wartime induction requirements of the Defense Department's most demanding scenario: a conventional war in Europe between NATO and Warsaw Pact forces.

The House Armed Services Committee has, therefore asked CBO to address the following questions:

- What is the current induction delivery capability of Selective Service?
- What improvements, if any, in meeting Department of Defense (DoD) wartime manpower induction requirements could have been expected under the Administration's proposed $9.5 million budget for fiscal year 1979?
- What improvements, if any, would accrue to Selective Service if a budget of $17 million were provided, as requested by the House Armed Services Committee, to include funds for reinstating peacetime registration and classification?

Answering these questions and evaluating the costs and effects of several alternatives to improve current induction capabilities are the focus of this study.

CHANGING WARTIME INDUCTION REQUIREMENTS AND A NEW ROLE FOR SELECTIVE SERVICE

At the outset, it is important to note that the wartime role of Selective Service has changed. Should a military crisis develop in Europe similar to the scenario now envisaged by DoD,

Selective Service would have only 30 days to begin delivering the first inductees. Selective Service does not now have and has never had this quick-reaction capability while in standby status. When emerging from standby status in past mobilizations, Selective Service required considerably more than 30 days to start the flow of inductions.

The following table summarizes the revisions to the induction schedule that were made over the past three years. The fiscal year 1976 schedule was prepared at a time when Selective Service had an active field structure (that is, area offices and local boards) in place and planned to continue peacetime registration

INDUCTEE DELIVERY RATES ASSUMED IN SELECTIVE SERVICE SYSTEM BUDGET ESTIMATES: BY FISCAL YEAR

	1976 Actual ($37.5 Million)	1977 Actual ($7.1 Million)	1978 Budget ($6.7 Million)	1979 Request ($9.5 Million) a/
First Delivery of Inductees	M+30	M+110	M+110	M+30
100,000 Inductees	M+90	M+150	M+150	M+60
300,000 Inductees	NA	M+200	M+200	NA
390,000 Inductees	M+180	NA	NA	NA
480,000 Inductees	NA	M+230	M+230	NA
650,000 Inductees	NA	NA	NA	M+180

NOTE: "M" refers to the first day of mobilization. Thus, M+30 means 30 days after the start of mobilization. "NA" means "not available."

a/ The amount appropriated by the Congress was $7.1 million, leaving staffing--and presumably induction capability--essentially unchanged from the fiscal year 1978 level.

and classification of 18-year-old males. The schedule for fiscal years 1977 and 1978 reflected Selective Service's own estimate of induction delivery capability under a standby posture, with no field structure in place and no registration and classification underway. The fiscal year 1979 schedule, prepared by DoD in October 1977, mandates a more rigorous induction timetable. This new schedule differs appreciably from Selective Service's own stated capability under a standby posture. Selective Service is now required to deliver 100,000 inductees within two months after mobilization, rather than in five months. Also, the total number of inductions required during the first six months has doubled from the fiscal year 1977-1978 levels.

Although a number of points could be raised about the size and timing of DoD's current wartime induction requirements, CBO assumed these requirements to be valid for purposes of this study and used them as a baseline against which Selective Service capability and various alternatives were measured.

CURRENT SELECTIVE SERVICE PLANS TO MEET DoD'S LATEST INDUCTION SCHEDULE

To meet DoD's wartime induction requirements, Selective Service plans to emerge from its standby status upon mobilization and reconstitute the bulk of the organization that existed prior to its phasedown in 1974. A comparison of the structure of Selective Service under its current standby posture and upon mobilization is displayed in the following table.

Unlike past induction operations, Selective Service intends to rely on automatic data processing (ADP) equipment to handle much of its record-keeping activities, to select inductees, and to print induction orders. Also, Selective Service plans to conduct a mass registration of 19- to 21-year-old males upon mobilization, using the states' election apparatus. Once the mass registration is completed, Selective Service will revert to a continuous registration procedure, using its reconstituted area offices as registration locations.

The reconstitution of the field structure is the principal responsibility of the 715 reserve and National Guard officers who would be activated upon mobilization and report to Selective Service. Site location, recruiting, and training of volunteers and paid employees, as well as acquisition of equipment and supplies, are to be accomplished by these officers within 30 days after mobilization.

COMPARISON OF CURRENT STANDBY AND FULLY MOBILIZED STRUCTURE OF SELECTIVE SERVICE

	Standby		Mobilized	
	Facilities	Paid (P) or Volunteer (V) Personnel a/	Facilities	Paid (P) or Volunteer (V) Personnel
National Headquarters	1	67 (P)	1	190 (P)
Regional Headquarters	9	31 (P)	9	200 (P)
State Headquarters	None	None	56	400 (P)
Area Offices b/	None	None	626	2,200 (P)
Local/State Boards	None	None	3,000	15,000 (V)
Registration c/	None	None	50,000	100,000 (V)

a/ Not shown here are 715 reserve officers who would be activated upon mobilization and report to Selective Service to reconstitute the field structure.

b/ Area offices provide administrative support for local boards. Continuous registration would also be conducted through these offices, supplemented by numerous volunteers.

c/ Selective Service now intends to use the states' election apparatus to conduct a mass registration, although no formal plans have been developed.

SELECTIVE SERVICE PROBLEMS IN MEETING DoD'S WARTIME INDUCTION REQUIREMENT

Based upon a review of Selective Service plans and operations, CBO has identified three major problems that would prevent Selective Service from meeting DoD's current wartime induction requirements:

- o No reliable plan for a quick, mass registration has been developed or tested that would provide Selective Service with the initial raw data it needs to begin computerized selection and induction operations.

- o The ADP support now available to Selective Service is neither adequate nor appropriate for the quick-reaction response needed to meet DoD's mobilization induction requirements.

- o The field structure proposed upon mobilization is too complex and cumbersome to be reconstituted quickly without preexisting personnel and logistical commitments in the field and is inconsistent with the automated procedures developed by Selective Service under its Emergency Military Manpower Procurement System (EMMPS).

CBO ESTIMATES OF SELECTIVE SERVICE'S CURRENT WARTIME INDUCTION CAPABILITY

Given these problems, CBO's most optimistic estimate is that Selective Service could not begin delivering inductees to DoD training centers until 65 days after mobilization. This time is consumed by the estimated 30 days required to organize and complete a mass registration, the 25 days required to process the data and form a file of induction notices, and the ten-day delay granted registrants prior to reporting for induction. Because of this delay in starting inductions, coupled with insufficient ADP capability, less than 60 percent of DoD's induction requirements would be met by six months after mobilization. This is depicted in the following table, along with a more pessimistic estimate that does not anticipate the first inductee until 95 days after mobilization, resulting in no more than 40 percent of DoD's requirement being met after six months.

No Improvement with the Administration's Proposal for Fiscal Year 1979

For fiscal year 1979, the Administration proposed a budget of $9.5 million, about $3 million above the fiscal year 1978 appropriation. Almost all of the increase was intended to man a larger peacetime organization and reduce the workload of reserve

DoD INDUCTION REQUIREMENTS, CBO ESTIMATES, AND SELECTIVE SERVICE'S STATED CAPABILITY: IN DAYS AFTER MOBILIZATION

	DoD Requirement	CBO Estimates: a/ Optimistic	CBO Estimates: a/ Pessimistic	Selective Service Estimate b/
First Delivery of Inductees	M+30	M+65	M+95	M+110
100,000 Inductees	M+60	M+90	M+120	M+150
480,000 Inductees	NA	NA	NA	M+230
650,000 Inductees	M+180	M+250	M+280	NA

NOTE: "M" refers to the first day of mobilization. Thus, "M+30" means 30 days after the start of mobilization. "NA" means "not available."

a/ Assumes registration completed by M+30 days in the optimistic estimate and by M+60 days in the more pessimistic case.

b/ Estimated by Selective Service at funding levels appropriated for fiscal years 1977-1979.

officers who would be required to reconstitute 626 area offices and 56 state headquarters upon mobilization and act as liaison for the 66 AFEES operated by DoD.

Funds spent in this manner would fail to resolve the critical problems associated with efforts to conduct a quick, post-mobilization mass registration and improve the ADP support available to the organization. For these reasons, CBO estimates that no improvement in induction capability would have resulted had the Congress appropriated these additional funds. 1/

1/ The appropriations bill passed by the Congress for fiscal year 1979 contained $7.1 million for Selective Service, sufficient to continue current operations with an allowance for wage increases and inflation.

OPTIONS TO IMPROVE SELECTIVE SERVICE RESPONSIVENESS

Given the problems identified by CBO that would prevent Selective Service from achieving DoD's latest wartime induction requirements, this report presents three options that the Congress may wish to consider to improve Selective Service responsiveness. Each option assumes upgraded ADP support and a field structure consistent with effective performance of Selective Service's wartime mission.

- Option I: Maintain current standby posture, but revise post-mobilization registration plans; annual cost over current policy is about $2 million (for improved ADP support).

- Option II: Reinstate peacetime registration; annual cost over current policy is about $4 million.

- Option III: Reinstate peacetime classification (in addition to registration); annual cost over current policy is about $13 million.

All three options, summarized in the following table, can potentially meet DoD's current induction schedule. The options are arranged in order of increasing peacetime contingency preparation and decreasing risk and uncertainty associated with the timely achievement of DoD's induction goals during mobilization. Obtaining this greater assurance of meeting DoD's requirement, however, generates additional costs--certainly economic and probably social--that must be considered.

The degree to which Option I can be relied on to meet DoD's wartime induction goals depends largely on the effectiveness of the plan chosen to conduct a mass, post-mobilization registration. Selective Service intends to use the states' election apparatus for this purpose, but CBO believes other approaches offer more assurance of a timely, accurate, and comprehensive post-mobilization registration. Two alternatives that would offer such greater assurance are deriving registration data from existing computerized files of the U.S. government or using the facilities of another federal agency with an adequate field structure already in place (such as the Postal Service).

Performing registration in peacetime, as in Option II, would eliminate the risks associated with timely completion of the task during a mobilization. CBO believes it would not be cost

SUMMARY OF SELECTIVE SERVICE CURRENT MOBILIZATION INDUCTION CAPABILITY AND POLICY OPTIONS FOR IMPROVEMENT

	Estimates of Induction Capability a/			Annual Peacetime Cost (In Millions of Dollars)
	First Inductions b/	M+60 Days	M+180 Days	
Base Case (Current Standby Posture--No Registration or Classification, and Present ADP Capability)	M+65 Days	0	375,000	$7
Option I c/ (Maintain Standby Posture; Revise Post-M-Day Registration)	M+25 Days	100,000	650,000	$9 d/
Option II c/ (Reinstate Peacetime Registration)	M+12 Days	100,000	650,000	$11 d/
Option III c/ (Reinstate Peacetime Registration and Classification)	M+12 Days	100,000	650,000	$20 e/

NOTE: "M" refers to the first day of mobilization. Thus, M+60 means 60 days after the start of mobilization.

a/ DoD requirements for a full mobilization are: first inductee by M+30 days, 100,000 by M+60 days, and 650,000 by M+180 days. These cannot be exceeded because of capacity limits at training facilities.

b/ This is the day on which the first inductees arrive at DoD training centers, assuming no post-induction leave is granted by DoD. Arrivals prior to M+30 days may be delayed until training facilities are expanded to handle the induction flow.

SUMMARY TABLE (Continued)

Comments
Assumes (somewhat optimistically) that mass registration can be completed by M+30 days. ADP equipment too slow to handle a large volume of registrant processing while simultaneously updating transactions from the field.
Assumes post-mobilization registration using existing computerized data files (primarily IRS and Social Security) or facilities of another federal agency with an adequate field structure already in place. Postal Service or another agency handles continuous registration during mobilization. Planned field structure sized to fit registrant needs and compatible with upgraded ADP support.
If successful, avoids problems associated with conducting a quick mass registration soon after mobilization. Costs not significant as long as Selective Service does not reconstitute a field structure in peacetime to conduct registration and does not institute paid media advertising to remind youth to register. All registration schemes pose uncertainty about the extent of participation. Updated registration data on at least two year-of-birth groups must be maintained to avoid mass registration during mobilization.
Like Option II, avoids problems associated with conducting a quick mass registration soon after mobilization. Peacetime classification relatively expensive and of marginal benefit, given adequate ADP support. Peacetime examination expensive and unnecessary. Classification requires peacetime field structure, assumed to include 400 area offices with appeal boards and 10 regions with no state headquarters. Radical change in field structure would require amendment to Military Selective Service Act. Fifty percent reduction in Selective Service reserve officer force. Reconstitution of field structure and registration/classification of two year-of-birth groups would take at least one year.

c/ Each option is assumed to include upgraded ADP support and a field structure better suited to registrant needs and more compatible with upgraded ADP support. A fully capable ADP system will take at least a year of development and testing.

d/ Cost includes $2 million annual expense for upgraded ADP support.

e/ Does not include examination during peacetime, estimated at $16 million annually for each year-of-birth group. Also, the 50 percent reduction in the reserve officer force generates a savings to Selective Service of about $1.5 million annually, but this would not constitute a net reduction in the federal budget if these personnel were transferred back to DoD.

SUMMARY TABLE (Continued)

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effective for Selective Service to conduct a face-to-face, continuous registration during peacetime unless registrants were also classified (as in Option II). Other methods should be considered, such as relying on a self-administered, mail-in registration or the peacetime implementation of registration approaches suggested in Option I.

Option III goes one step further than Option II, requiring Selective Service to classify registrants during peacetime. Adding this second stage would make a face-to-face continuous registration administered by Selective Service more cost effective than any of the other peacetime registration alternatives. Peacetime classification would reduce the burden on Selective Service of processing this data during mobilization. Also, since this task requires a field structure, it would ensure that area offices and local boards would be available immediately upon mobilization. The ADP technology exists, however, to process rapidly the data generated by DoD's wartime induction requirements, even if classification was conducted after a mobilization, as in Options I and II. Moreover, immediate reconstitution of local boards would no longer be required, since induction notices would be issued from Selective Service headquarters.

Upgraded ADP Support

All three options include an upgraded ADP capability. The technology exists to replace the current ADP system with equipment and programs that will provide the large-scale, high-speed processing needed by Selective Service. CBO estimates the peacetime cost of providing this capability to be $2 million annually (less, if time-sharing were permitted). This improvement is essential under Option I to avoid long delays in processing and preparing induction orders for the first year-of-birth group registered after mobilization. In both Options I and II, the upgraded ADP support would enable Selective Service to cope with the large volume of classification transactions (especially school postponement requests) transmitted from the field offices. To a certain extent, an improved ADP system would also lessen the need for and benefits of peacetime classification proposed under Option III. In all three options, however, a substantially upgraded ADP system is essential, should Selective Service be expected to continue with sizable induction calls beyond the initial six-month mobilization period.

Streamlined and Compatible Field Structure

If Selective Service is to fulfill its post-mobilization responsibilities in the most efficient manner possible, it must implement a modern, streamlined field organization. At a minimum, this would entail substantially fewer reconstituted area offices and local boards than Selective Service now contemplates. The revised configuration should be tailored to suit registrant needs and be compatible with the ADP support envisioned for Selective Service in each of these options. Some additional consolidation of local boards and area offices is possible without amending the Military Selective Service Act. But any radical change, such as the elimination of a state headquarters and a shift to a regional organization, would require an amendment to the act.

CBO estimates that Selective Service's current annual budget would have to be increased by about $13 million to reconstitute a field structure under a regional configuration without state headquarters. This would fund the lease of 400 area offices, the hiring of 650 clerical and supervisory personnel, and the cost of various administrative activities. In contrast, implementing Selective Service's planned field structure would increase the current budget by $35 million annually.

CHANGES NEEDED IN THE FISCAL YEAR 1980 BUDGET

Finally, regardless of the approach the Congress may choose for improving the responsiveness of Selective Service, it cannot be accomplished in a brief span of time. To provide even minimal assurance that Selective Service can meet DoD's current wartime induction schedule will require at least a year and possibly two years of development and testing of equipment and procedures. If such development and testing is funded in the fiscal year 1980 and 1981 appropriations for Selective Service, a capable system could be in place at the start of fiscal year 1982.

APPENDIX M

MILITARY MANPOWER AND THE ALL-VOLUNTEER FORCE

(Extract - pages 80 to 86)

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September 1977

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THE CONSCRIPTION TAX[38]

One of the consequences of the draft, as noted in Chap. 3, is the implicit tax that conscription imposes on young men of military age—the so-called conscription tax. Although this "tax" never appears on an IRS Form 1040 or in the accounts of any government agency, it is nonetheless very real for those forced to pay it.

Explicit consideration of the conscription tax is central to this study. First, though not necessarily by design, the conscription tax is in itself an important element of public policy in general and tax policy in particular. It reduces the amount of direct taxes that must be levied on the general public; it redistributes income within society; and it requires its own bureaucracy for administering and enforcing collection. The conscription tax thus has many of the attributes of other, more conventional methods for collecting tax revenue and, accordingly, should be examined in the context of tax policy in general.

Second, as we stated earlier, the selective nature of the conscription tax was one of the major contributing reasons for the move to end the draft. Not only was the tax restricted to a relatively narrow age cohort, the simple dynamics of a growing population base meant that only some within this narrow age range would pay the tax. Furthermore, because of the opportunities available for avoiding military service, those with the most to gain by not serving frequently were able to escape induction, with the result that those least able to pay the tax were penalized most heavily. Contrary to the general thrust of U.S. tax policy, then, the conscription tax was both selective in application and regressive in nature. Both of these aspects of the conscription tax were significant factors in the final decision to remove the draft.

Third, it was also argued earlier that the budget expenditures associated with manpower substantially understate the value of labor resources used by the military during periods of conscription. When combined with estimates of the amount of the conscription tax, however, these budget expenditures can be used to estimate the value of labor resources used by the military.

Finally, draft-avoidance costs—which, in the jargon of the public finance literature, are referred to as the costs of collection—constituted a significant additional economic burden for society. Thus, not only did the draft fail to reduce the economic cost of those serving in the military, it actually increased the economic cost of maintaining a military labor force.

[38] This section is based largely on Sjaastad and Hansen, op. cit.

Concept of the Conscription Tax

In one sense, the conscription tax can be thought of as the difference between the wage that would induce an inductee or draft-motivated enlistee to volunteer and the actual draft wage.[39] That is, the tax equals the difference between supply price (i.e., reservation wage) and the military wage for those who enter the military as other than true volunteers.

The rationale for this measure of the conscription tax is essentially the same as that for the definition of economic cost. The individual who is coerced into the military as a draftee or reluctant volunteer forgoes not only his alternative civilian earnings potential but also (the monetized value of) the nonmonetary aspects of civilian employment (relative to military service), whether positive or negative. Thus, the conscription tax may be less than, equal to, or greater than the financial burden of being forced to serve, depending on how those who are forced to serve evaluate the nonpecuniary aspects of military service.

We can measure this tax analytically from Fig. 5-4, which in turn is based on the general framework given in Fig. 5-2. Since the curve ac represents the locus of supply prices for the draftees and reluctant volunteers serving, the conscription tax, as defined above, can be measured as the cross-hatched area in Fig. 5-4.

However, this interpretation of the conscription tax makes the implicit, but crucial, assumption that the confiscation of economic rent by the government does not constitute taxation. We can see this in Fig. 5-4, which shows that in the absence of a draft, the military would have to pay a competitive wage equal to w′ to attract the desired number of volunteers, with the result that those below point b on the supply curve would earn rent equal to the difference between this competitive wage and their own supply price. Thus, even though these inframarginal individuals do not need to be offered w′ to be induced to join the military, they would nonetheless receive this competitive wage if the military had to compete in the marketplace for volunteers.[40]

In this regard, Sjaastad and Hansen argue that[41]

> . . . [the] narrow definition of the conscription tax reflects an implicit assumption that the confiscation of economic rent does not constitute taxation. Conscription can be viewed as a means of coercion whereby the government reduces the budgetary cost of military manpower procurement, and only part of that reduction takes the [narrow] form of tax as defined above, the remainder being rents forgone. A persuasive argument can be made, however, that the tax should also include forgone rents. In procurement of manpower for civilian functions (i.e., the Post Office) or procurement of materials, the government does not normally employ coercion; that is, the government abides by the ethical norm of our society that surpluses, be they generated in production or consumption, are properly the property

[39] This is the same definition as used by Sjaastad and Hansen (their "narrow" definition) and by Oi. Hansen and Weisbrod define the tax as the difference between the individual's forgone civilian wage and the military wage; it is therefore equivalent to the financial burden described above. Finally, Fisher defines the tax as the maximum amount the individual would be willing to pay to buy his way out of the draft. As noted by Sjaastad and Hansen, Fisher's definition is always less than or equal to Oi's (and Sjaastad and Hansen's). Hansen and Weisbrod's measure, on the other hand, may be less than, equal to, or greater than Oi's, depending on the individual's valuation of the nonpecuniary aspects of military and civilian employment. See Sjaastad and Hansen, op. cit.; Oi, "The Economic Cost of the Draft," op. cit.; Hansen and Weisbrod, op. cit.; and Fisher, op. cit.

[40] Unless, of course, the military can act as a discriminating monopsonist.

[41] Sjaastad and Hansen, op. cit., p. IV-1-2.

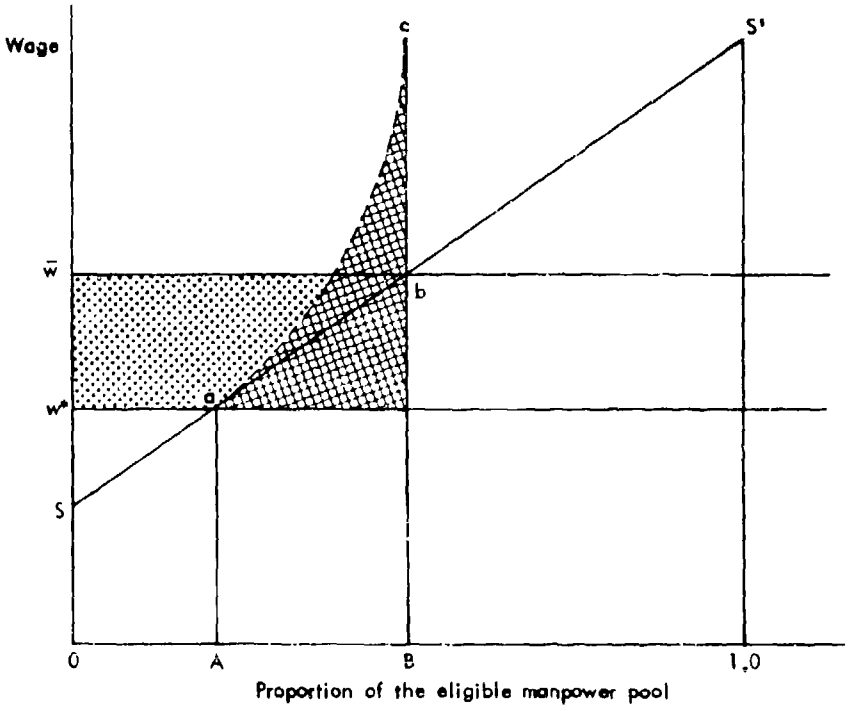


Fig.5-4—The conscription tax

of the person to whom they normally accrue. While it is true that these rents are not necessary to attract the affected individuals to military service, it is also true that similar rents are in fact collected by the sellers of goods and services to the government in virtually all other cases. It is only in the case of certain military manpower procurement that coercion is systematically employed to reduce rents.[42]

Thus, a strong case can be made for viewing these forgone rents as part of the conscription tax as well, since the United States has historically not deprived individuals of the rent they might earn from employment in other areas.

The conscription tax, under this broad definition, is therefore measured as the larger of (1) the difference between the competitive wage and the draft wage and (2) the difference between supply price and the draft wage. In Fig. 5-4 this is shown as the sum of the cross-hatched and shaded areas. As such, the broad definition exceeds the narrow definition by the amount of shaded area.

The importance of this distinction is not so much that the two measures of the conscription tax differ in magnitude, but rather that they have very different meanings with respect to the larger public policy questions concerning the income redistribution caused by the draft. The narrow definition views only those with

[42] Furthermore, economic rents earned elsewhere in the economy are not fully confiscated either. For example, in union-filled jobs, there will be inframarginal employees—inframarginal in the sense that some would work for less than the prevailing wage—yet these individuals are allowed to keep the rent they earn. More generally, U.S. tax policy has never differentiated between rent and nonrent income.

higher reservation wages as having to pay the tax, whereas the broad definition recognizes that the draft extracted a tax from all those serving in the military, including those on the lower portion of the supply curve, who are generally those with the least valued civilian employment and earnings opportunities.

The narrow definition does not recognize that these individuals are "taxed" because they enter military service as so-called true volunteers. In a sense, however, the same individuals may be the most severely penalized, since the tax, broadly construed, brought about by conscription is a much larger amount relative to their basic wealth position than it is for those higher on the supply curve. Therefore, the narrow definition of the tax disguises some of the most undesirable social and public policy effects of the selective service conscription tax.

Measuring the Conscription Tax

Unlike other, more conventional forms of taxation, conscription tax payments are not recorded in any government accounts, so estimates of the amount of this tax must be imprecise at best. Since the tax (narrow form) is defined in terms of supply price, the actual amount paid depends on two factors: (1) the shape and location of the supply curve and (2) who on the supply curve actually serves, where the latter is in turn a function of the selection mechanism.

Since neither of these two factors is known with certainty, we show instead what the conscription tax could be, as estimated by using several alternative assumptions about both the supply curve and the selection process. We look at pre-lottery and lottery-type draft systems under three alternative assumptions about the supply curve: (1) a constant elasticity supply curve (upward-sloping at a decreasing rate), (2) a linear supply curve (upward-sloping at a constant rate), and (3) a logistic supply curve (upward-sloping at an increasing rate toward the upper reaches of the supply curve).[43]

The main point illustrated by the estimates in Table 5-2 is that the conscription tax, no matter what specific assumptions are used, is sizable, even under the so-called narrow definition. It is smallest—about $2 billion annually (in 1964 dollars)—under the assumption of a pre-lottery-type selection process and a constant elasticity supply curve.

The tax is much larger, however, for the lottery-type draft with most deferments eliminated. It ranges from about $2.6 billion annually if the constant elasticity supply curve is the appropriate representation of supply to about $8.7 billion if the logistic supply curve is instead the right measure. The reason for these results is that there are fewer ways of avoiding military service under the lottery-type selection process, so that there is a more representative sampling of the supply curve serving in the military, including those on the upper reaches. Furthermore, the logistic supply curve rises more steeply than the other two supply curves Therefore, if the logistic is in fact the appropriate representation of manpower supply to the military, there will be more high-supply-price individuals serving (those who were able to avoid induction under the pre-lottery-type system)—hence, the larger conscription tax.

[43] In each case, the supply curve was normalized so that the arc elasticity equals 1.25 between 20 percent and 40 percent of the age cohort.

Table 5-2

The Conscription Tax in 1964: Narrow Definition[a]
($ billions)

Selection Process	Supply curve: Decreasing Slope (Constant Elasticity)	Constant Slope (Linear)	Increasing Slope (Logistic)
Pre-lottery	$2.1	$2.3	$4.4
Lottery	$2.6	$3.0	$8.7

[a]See Appendix 5-A for method of estimation.

To put these figures in some perspective, recall that the 1964 costs for first-term personnel amounted to some $4.2 billion and that all active duty manpower budget costs were about $12.3 billion. The estimates thus far have been for the narrow definition of the tax. If we include the rents forgone under the broader definition, the total tax rises to about $3 billion for the pre-lottery-type draft under the constant elasticity supply assumption.[44] Thus, under this broad definition the amount of the conscription tax was nearly as large as the budget costs for first-termers.

The Costs of Collecting the Conscription Tax

Whenever a government imposes a tax on some or all of its citizenry, there are certain costs associated with collecting it, a fact well recognized in the theory of public finance. These costs of collection include, among other items, the costs for tax collectors, the costs of enforcing payment of the tax, and, particularly important in the case of the conscription tax, the costs incurred by those attempting to avoid payment.[45]

In general, we would expect the amount of costs incurred by those attempting to avoid the tax to be a function of (1) the magnitude of the tax itself and (2) the difficulty of escaping payment. In the first case, the relationship is clear: The larger the tax, the more will be spent attempting to avoid payment of it. In the second case, the relationship is a bit more subtle. When the authorities make it more difficult to avoid the tax, fewer individuals will pursue tax-avoidance activities, but those who do so are likely to spend more in their efforts. In other words, it makes sense to incur tax-avoidance costs only if those expenditures can be expected to have a reasonable chance of success and therefore, to be successful, more must be spent.

In the case of conscription, there were many legal (as well as illegal) means of escaping induction. To give some idea of the availability and prevalence of draft loopholes, of the 9,432,963 males between 19 and 26 years of age who were eligible

[44] See Sjaastad and Hansen, op. cit., p. IV-1-25.

[45] To illustrate the incentives, the 1966 DoD draft study reported that marriages by draft-age males increased by about 10 percent almost immediately after the marriage deferment was introduced in the early 1960s.

for the military in 1965, *71.5 percent had deferments exempting them from service.*[46] These deferments included marriage (5.0 percent), fatherhood (34.6 percent), belonging to the reserves (11.1 percent), enrollment in college (17.4 percent), occupation exemptions (2.4 percent), and miscellaneous (1.0 percent). Thus, exemption from military service was more the norm than the exception.

It is difficult to quantify the costs associated with the various draft-avoidance activities, but economic theory provides us with a general way of modeling the problem and getting at least a rough estimate of the magnitude of these costs. If we assume that individuals attempt to maximize their expected income and that they can reduce their probability of having to serve by expending resources in draft-avoidance activities, then we can develop a model of draft-avoidance expenditures from the basic labor supply model outlined earlier.[47]

The results of this procedure, as shown in Table 5-3, yield two important findings. First, the costs associated with attempts to escape induction were, by these

Table 5-3

The Conscription Tax (Narrow Definition) and the Costs of Collection: 1964
($ billions)

Selection Process[a]	Supply Assumption[b]	Conscription Tax (Narrow Definition)	Costs of Collection[c]	Total
Pre-lottery	Decreasing Slope	$2.1	$2.6	$4.7
	Constant Slope	2.3	2.9	5.2
	Increasing Slope	4.4	3.6	8.0
Lottery	Decreasing Slope	2.6	0.7	3.3
	Constant Slope	3.0	0.9	3.9
	Increasing Slope	8.7	3.7	12.4

[a] See Appendix 5-A for the methodology and assumptions.

estimates, very large. Indeed, in the case of the pre-lottery draft, the costs of collecting the conscription tax actually exceeded the tax itself (by the narrow definition). In the case of the lottery-type draft, the collection costs were less but were still about one-third as much as the tax.

[46] In 1965 ... were 30,917,205 living and classified registrants recorded by the Selective Service System. Of these, 73,164 were over 26 years of age with liability extended; 545,159 were under 19 years of age; 2,040,000 were temporarily disqualified (IY); 2,443,436 were permanently disqualified (IV F), 471,733 had statutory student deferments for the remainder of the school year (e.g., high school), 2,370,124 had already completed their military obligation; and 13,540,626 were over the age of liability. Thus, of the 30,917,205 living and classified registrants, 9,432,963 were "eligible" for military service on September 30, 1965. ("Selective Service Classification, United States, Table 1, Number and Percent of Classified Registrants," Selective Service System, National Headquarters, Research and Statistics, Statistics Section, D(d)-115, October 21 1965.)

[47] The model was first developed by Sjaastad and Hansen, op cit., and is summarized in App 5-A

The second finding, as shown in Table 5-3, is the importance of the selection process. The introduction of the lottery, with its closing of many draft loopholes, reduced the costs of collection considerably. Those who drew high lottery numbers were virtually assured of not being inducted and therefore did not need to expend resources in draft-avoidance activities. Those with very low lottery numbers, on the other hand, were virtually assured of being drafted so, with little opportunity to avoid induction, they were not as likely to engage in draft-avoidance activity.

Combining these results, we see that the total costs—conscription tax plus draft-avoidance—will be less with the lottery system than with the pre-lottery system, except when the supply curve is very steeply upward-sloping. Together, these costs show the additional economic costs not captured by the budget expenditures.

Although these results are only rough estimates based on a simple model, they have a very important policy impact. They show not only that conscription extracted a considerable tax burden from those forced to serve in the military, *but also that conscription was an extremely inefficient means for collecting "tax revenue."* Indeed, for every dollar of tax collected under the pre-lottery draft, there was more than a dollar of tax collection costs.

APPENDIX N

FY 1978 TRENDS [1/]

Throughout the text of the study, comparisons and analysis of the All-Volunteer Force were made based on the trends through FY 1977. In this appendix, the actual FY 1978 data will be presented and further discussion of the AVF trends will be made where the FY 1978 results were different than expected.

The Active Force [2/]

End Strengths

All four Services were less than half of one percent from their objective end strengths for FY 1978. The total strength of the active force continued to decline in FY 1978 to an end strength of 2,049,000 which was about 12,000 less than the end of FY 1977. Officer strength declined 0.8% and enlisted strength declined 0.6% from the end FY 1977 values. However, this decline was the product of reduced authorizations scheduled for FY 1979 (to which the Services adjusted in their programmed end strengths) and was not unexpected. Table N-1 presents the FY 1978 end strengths by Service and Table N-2 shows the percentage change from the FY 1977 end strengths. Table N-3 shows the Service objective strengths, Congressionally authorized strength ceilings, and the FY 1978 end strengths as a percentage of those goals.

Table N-1

Active Duty End Strengths for Fiscal Year 1978 (000)

	Officers	Enlisted	Total
Army	98	669	767
Navy	62	463	526
USMC	18	172	191
USAF	95	470	565
DoD	274	1,775	2,049

1/ Source of Data: Data Book for the All-Volunteer Force, Terryl L. Wisener, Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), December 1978.

2/ Active duty end strengths and accessions presented exclude cadets and include reimbursables.

Table N-2

Percentage Change in Active Duty End Strengths
from FY 1977 to FY 1978

	Officer	Enlisted	Total
Army	+0.0%	-1.6%	-1.3%
Navy	-1.4%	+0.2%	+0.0%
USMC	-1.8%	-0.4%	-0.5%
USAF	-1.1%	-0.0%	-0.2%
DoD	-0.8%	-0.6%	-0.6%

Table N-3

FY 1978 End Strength Objectives and Percentage Results

	Sept 30 Actual	Authorized* (000)	Authorized* (Actual %)	Objective** (000)	Objective** (Actual %)
Army	767	783	98%	770	100%
Navy	526	532	99%	528	100%
USMC	191	192	100%	192	100%
USAF	565	566	100%	566	100%
DoD	2,049	2,072	99%	2,056	100%

* Cadets excluded, although Congressional authorizations do not specify authorization by grade (officer, enlisted or cadet).

** Objective strengths vary from authorizations due to newer FY 1979 end strength authorizations which Services began programming for prior to the end of the fiscal year.

The officer to enlisted ratio for the active force increased slightly in the Army and declined very slightly in the Navy, Marine Corps and Air Force. For total DoD, there was relatively no change from the FY 1977 ratio.

Reenlistments

As can be seen in Table N-4, FY 1978 reenlistment rates showed improvement in all the Services and were higher than Service projections. However, this overall improvement was due to the increased first-term reenlistments as career reenlistment rates were lower in all the Services. The overall increase in reenlistments required that the Services reduce accessions below the intended goals to avoid exceeding end strengths.

Table N-4

Comparison of FY 1977 and 1978 Reenlistment Rates* For the Active Duty Enlisted Force

	First-Term		Career		Total	
	1977	1978	1977	1978	1977	1978
Army	33.1	35.6	69.5	68.6	51.8	53.9
Navy	36.9	40.3	68.1	63.5	49.4	50.5
USMC	29.4	29.1	71.6	69.1	42.8	42.8
USAF	39.0	41.1	86.2	65.9	65.9	66.2
DoD	35.0	37.1	74.8	71.5	54.5	55.1

* Percent of those eligible to reenlist who do reenlist.

Accessions

Total active duty accessions in FY 1978 were the lowest since the pre-Vietnam period, declining 18% from the FY 1977 total. This decline was necessary because of fewer losses than the Services had expected. Officer accessions increased in all the Services except the Navy while enlisted accessions declined in all the Services. Total DoD officer accessions were up 22%, total enlisted accessions declined 19%. Table N-5 shows the total accessions in FY 1978 and Table N-6 shows the percentage change from the FY 1977 accession levels.

Table N-5

Active Duty Accessions in FY 1978 (000)

	Officer	Enlisted	Total
Army	10	134	145
Navy	6	87	93
USMC	2	41	43
USAF	7	69	76
DoD	25	332	354

Table N-6

Change in Number of Active Duty Accessions from FY 1977 to FY 1978

	Officer	Enlisted	Total
Army	+ 5%	-26%	-24%
Navy	-14%	-21%	-20%
USMC	+ 7%	-13%	-12%
USAF	+14%	- 6%	- 4%
DoD	+ 2%	-19%	-18%

Prior Service/Non-Prior Service Mix for Enlisted Accessions

The total number of active duty enlisted prior service accessions in FY 1978 were the lowest since FY 1970. However, because of lower NPS accessions, the percentage of total accessions having prior service was higher than FY 1977, except for the Marine Corps. Table N-7 shows the distribution of the FY 1978 enlisted accessions and Table N-8 shows the percentage change from the FY 1977 levels.

Table N-7

Prior Service/NPS Mix of FY 1978 Active Duty Enlisted Accessions

	NPS Number (000)	Prior Service Number (000)	Prior Service (Percent)
Army	124	10	7.7%
Navy	80	7	7.7%
USMC	40	1	3.4%
USAF	68	1	1.9%
DoD	312	20	6.0%

Table N-8

Percentage Change in Enlisted Accessions from FY 1977 to FY 1978

	NPS	Prior Service	% Prior Service
Army	-26%	-16%	+13%
Navy	-21%	-16%	+ 6%
USMC	-12%	-33%	-21%
USAF	- 6%	+20%	+27%
DoD	-20%	-16%	+ 5%

Enlisted Accession Education Levels

With the exception of the Air Force, the percentage of non-prior service accessions having a high school diploma was the highest since the AVF began. The DoD average of 77% was up from 69% in FY 1977 and higher than the pre-Vietnam level of 68%. While the Air Force at 85% was down from 88% in FY 1977, it is still the leader among the Services in high school graduate accessions. Even though the Army and Marine Corps remained the lowest among the Services, their FY 1978 percentages were the highest in their history. The Army at 74% was up from 59% in FY 1977 and the Marine Corps at 75% was up from 70% in FY 1977. The Navy increased from 73% in FY 1977 to 77% for FY 1978. Table N-9 shows the number of accessions by educational level and table N-10 shows the percentages for FY 1978.

Table N-9

FY 1978 NPS Accessions by Educational Level (000)

	HSDG			NHS		
	Male	Female	Total	Male	Female	Total
Army	75	17	91	32	1	33
Navy	57	5	62	18	1	18
USMC	27	2	30	10	*	10
USAF	47	11	57	9	2	11
DoD	205	35	240	68	3	72

* less than 500.

Table N-10

Percentage of FY 1978 Active Duty Enlisted NPS Accessions Having a High School Diploma

	Male	Female	Total
Army	70%	96%	74%
Navy	76%	90%	77%
USMC	74%	96%	75%
USAF	85%	84%	85%
DoD	75%	91%	77%

Enlisted Accession Mental Quality

In spite of the favorable trends in high school diploma graduates, mental quality distributions show decreasing trends. Except for the Army, those in the above average mental categories (I and II) were the lowest since the AVF began. However, it has been noted that the AFQT test and scores were re-standardized in 1976 and the percentage distributions among the mental categories shifted toward Category III, out of I and II, as a result of that re-standardizing. Further study should be made to develop comparisons of the pre-1976 distributions with those after the test was re-standardized. Due to this change, comparisons will be limited in this appendix to FY 1977. The Army and the Navy showed an increase in the number of category IV accessions. With the exception of the Army, the percentage of average quality (category III) accessions was up in FY 1978. Table N-11 shows the FY 1978 actual number and Table N-12 shows the FY 1978 percentage compared to FY 1977.

Table N-11

FY 1978 NPS Accessions by Mental Category (000)

	I & II	III	IV
Army	33	78	13
Navy	31	48	2
USMC	11	27	1
USAF	31	37	*
DoD	105	190	17

*Air Force had a total of 23 mental group IV NPS accessions.

Table N-12

Comparison of Mental Category Percentage for Active Duty Enlisted NPS Accessions

	Categories I & II		Category III		Category IV	
	77	78	77	78	77	78
Army	25%	26%	66%	63%	9%	11%
Navy	40%	38%	58%	60%	2%	3%
USMC	32%	29%	64%	68%	4%	4%
USAF	54%	45%	46%	55%	0%	0%
DoD	35%	34%	60%	61%	5%	5%

The distribution of the total NPS accessions by mental categories showed only slight changes from the imbalances noted in Chapter 2. The Army required 40% of the total FY 1978 NPS accessions, but its share of mental groups I and II was only 31% of the total and it received 78% of the total mental group IVs. The Air Force received less than 22% of the total accessions but had 29% of the total mental group I and II accessions and only 0.1% of the total category IVs. Table N-13 shows the FY 1978 distribution of the total DoD NPS accessions by mental categories.

Table N-13

FY 1978 Distribution of Total DoD NPS Accessions
(Percent of DoD Total)

	I	II	III	IV	Service Total
Army	31	31	41	78	40
Navy	32	29	25	12	26
USMC	9	11	14	10	13
USAF	29	29	20	0	22

Enlisted Turnover

Turnover rates for the active enlisted force continued to show dramatic improvement in FY 1978. Total DoD turnover was 18.7%, the lowest since FY 1966-1967 when the stop-loss actions for the Vietnam war were in effect. The Army reached an all-time low at 20.1%, less than two thirds of the FY 1973 level of 33.5%. Navy turnover, 18.6%, reversed the upward trend which had begun in FY 1974 and peaked in FY 1977, with FY 1978 being the lowest since FY 1974. Marine Corps turnover was the lowest since FY 1967 with only 23.8%. Air Force turnover also improved to 14.8% and continues to be the lowest rate for the four Services.

Women in the Active Forces

FY 1978 strength and accession percentages for women continued to increase as planned. Table N-14 summarizes the FY 1978 end strength percentages and the percentages of accessions.

Table N-14

Women as a Percentage of the FY 1978
Active Duty End Strengths and Accessions

	End Strengths			Accessions	
	Officer	Enlisted	Total	Officer	NPS Enlisted
Army	6%	8%	7%	15%	14%
Navy	6%	5%	5%	12%	7%
USMC	2%	3%	3%	3%	6%
USAF	6%	9%	8%	18%	19%
DoD	6%	7%	7%	14%	12%

Blacks in the Active Force

The percentage of blacks continued to increase in FY 1978 for both officer and enlisted strengths and accessions. The Army continued to be the highest with 34% of the NPS enlisted accessions, bringing the Army enlisted end strength for FY 1978 to an all time high of 29% blacks. Table N-15 shows the FY 1978 end strength percentages and the percentages of accessions.

Table N-15

Blacks as a Percentage of FY 1978
Active Duty End Strengths and Accessions

	End Strengths			Accessions	
	Officers	Enlisted	Total	Officer	NPS Enlisted
Army	7%	29%	27%	7%	34%
Navy	2%	9%	9%	4%	13%
USMC	4%	19%	18%	5%	24%
USAF	4%	15%	13%	8%	14%
DoD	4%	19%	17%	6%	23%

The Reserve Forces

The Selected Reserve

In FY 1978, the selected reserve end strength continued to decline to 788,000, a 2% decrease from FY 1977. The Army components were down over 3% from the previous year. Only the Marine Corps and Air Force Reserves showed an increase. These decreases were the result of enlisted decreases, with the officer end strengths showing slight increases. The unplanned decreases in Army reserve component strengths reemphasizes the concern for the Army Reserve Program expressed in the study. The initiatives discussed in Chapter 5 and now being tested are intended to curb these declines. Table N-16 summarizes the FY 1978 end strengths and Table N-17 shows the percentage change from FY 1977.

Table N-16

Selected Reserve End Strengths for Fiscal Year 1978 (000)

	Officer	Enlisted	Total
ARNG	34	307	341
USAR	36	150	186
USNR	18	65	83
USMCR	3	30	33
ANG	11	81	92
USAFR	13	41	54
DoD	114	674	788

Table N-17

Percentage Change in Selected Reserve End Strengths from FY 1977 to FY 1978

	Officer	Enlisted	Total
ARNG	+1%	-4% *	-4%
USAR	+1%	-3%	-2%
USNR	-2%	-10% *	-8%
USMCR	-1%	+6%	+6%
ANG	-1%	-0%	-0%
USAFR	+5%	+8%	+7%
DoD	+1%	-3%	-2%

*Declines in the Navy were programmed. Army enlisted reserve declines were unprogrammed.

Accessions

Total selected reserve enlisted accessions declined in FY 1978 for all except the Air Force Reserve. However, only the Army National Guard and Air National Guard declined in the number on non-prior service accessions, bringing the non-prior/prior service mix closer to the desired ratio. Table N-18 summarizes the FY 1978 accession trends in the selected reserve components.

Table N-18

FY 1978 Selected Reserve Enlisted Accessions (000)

Component	Total	Non-Prior Service	Prior Service	% Prior Service	
				Actual	Objective
ARNG	89	40	49	55%	55%
USAR	53	13	39	74%	72%
USNR	19	2	16	87%	94%
USMCR	13	8	5	39%	38%
ANG	15	4	12	76%	74%
USAFR	12	3	9	78%	75%
DoD	200	70	130	65%	65%

The percentage of NPS male enlisted accessions having a high school diploma decreased from 45% in FY 1977 to 39% in FY 1978, the lowest since the AVF began. However, when prior service accessions are included and total selected reserve accessions are examined, the overall education levels have not changed significantly.

The mental category distribution of selected reserve NPS male enlisted accessions declined from 22% in groups I and II in FY 1977 to 19% in FY 1978. In the below average (category IV) there was a decline from nearly 14% in FY 1977 to slightly above 12% in FY 1978. The percentage in the middle category (III) increased from 64% to above 69%. Again, when total selected reserve accessions are considered, there was no significant change.

Women in the Selected Reserve

Women became a greater percentage of the selected reserve in all categories, except Naval and Marine Corps Reserve officers where their percentage declined in FY 1978. Overall, the number of women in the selected reserve increased nearly 8% from the previous year end strengths. Table N-19 shows the percentage of end strengths and accessions who were women.

Table N-19

Women as a Percentage of the FY 1978 Selected Reserve End Strengths and Accessions

	End Strengths			NPS Enlisted Accessions
	Total	Officer	Enlisted	
ARNG	4%	2%	4%	10%
USAR	12%	8%	13%	28%
USNR	5%	2%	5%	17%
USMCR	3%	2%	3%	6%
ANG	7%	4%	7%	34%
USAFR	12%	9%	13%	48%
DoD	7%	5%	7%	16%

Blacks in the Selected Reserve

As with the active force, blacks increased in all categories of the selected reserve continuing the trend of continually increasing participation which began in FY 1972, with over four times as many blacks in FY 1978 than the FY 1972 levels, compared to a 26% decrease in the number of non-blacks over the same time period. Table N-20 summarizes the black participation in the selected reserve in FY 1978.

Table N-20

Blacks as a Percentage of the FY 1978 Selected Reserve End Strengths and Accessions

	End Strength			NPS Enlisted Accessions
	Total	Officer	Enlisted	
ARNG	17%	3%	18%	29%
USAR	22%	5%	26%	32%
USNR	6%	1%	7%	9%
USMCR	19%	2%	21%	21%
ANG	6%	2%	7%	14%
USAFR	13%	2%	17%	35%
DoD	15%	3%	18%	28%

Individual Ready Reserve (IRR)

While the IRR for the Navy, Marine Corps and Air Force continued to decline in FY 1978, the Army IRR end strength, better than the Army had projected. The Army IRR is the critical element of the IRR and this increase of 17,000 reservists was sorely needed, as discussed in Chapter 6. Table N-21 shows the FY 1978 end strength of the IRR and Table N-22 displays the percentage change from the FY 1977 end strengths.

Table N-21

End Strengths for FY 1978 IRR (000)

	Officer	Enlisted	Total
Army	43	134	177
Navy	20	73	93
USMC	4	35	40
USAF	11	35	46
DoD	78	278	356

Table N-22

Percentage Change in IRR End Strengths from FY 1977 to FY 1978

	Officer	Enlisted	Total
Army	-6%	+17%	+11%
Navy	-15%	-11%	-12%
USMC	-3%	-14%	-13%
USAF	-21%	-30%	-28%
DoD	-10%	-4%	-5%

Conclusions

While FY 1978 did not verify the predictions made in Chapter 3 of the study, active force accession needs declined and the Services still met end strength goals. Problems continue to plague the Army selected reserve components, but the Army IRR strengths increased significantly. The FY 1978 results confirm that the AVF is working for the active force and that the reserves need further attention. The FY 1978 results also show that the problems identified in the study are problems for the AVF rather than problems of the AVF, and that the initiatives identified in the study are working.

APPENDIX O

SERVICE COMMENTS ON QUESTIONS

ASKED BY THE SENATE COMMITTEE ON ARMED SERVICES

DEPARTMENT OF THE ARMY
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR PERSONNEL
WASHINGTON, D.C. 20310

4 OCT 1978

DAPE-MPR-R

MEMORANDUM THRU CHIEF OF STAFF, ARMY
~~ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS)~~ 13 OCT 1978

FOR ASSISTANT SECRETARY OF DEFENSE (MANPOWER, RESERVE AFFAIRS AND LOGISTICS)

SUBJECT: Alternatives to the Structure of the All Volunteer Force -- INFORMATION MEMORANDUM

1. PURPOSE: To furnish the Army's initial views on the cost and consequences of alternatives to current AVF policies, as required in the FY 79 SASC authorization report.

2. DISCUSSION:

a. The Army supports the need for an effective standby draft for use in the event of full mobilization. As it currently exists, the Selective Service System is inadequate since it does not provide for the first trained manpower to reach units until M+210. Upon mobilization the Army requires the first draftees to reach the training base by M+30 in order for trained manpower to reach units at M+120 vice M+210. Therefore, the Army fully supports increased Selective Service System funding and such actions as are needed to produce the requisite number of draftees by M+30.

b. The Army's manpower requirements during the first 120 days following mobilization (90 plus days even with a theoretically perfect standby draft mechanism) must be satisfied by assets in the Total Army that were recruited and retained in peacetime. The Army FY 80-84 program contains the resources and the necessary initiatives to continue successfully to man the active Army, to obtain a 28,000 increase in early deploying Reserve Component unit strength, and to pursue a low cost option to improve the remaining mobilization manpower posture through management and legislative initiatives. With your support for initiatives and resources in the program together with some increased flexibility to shift resources as necessary, the Army will be able to continue to man the active Army and determine whether it can overcome shortfalls in the Reserve Components.

DAPE-MPR-R

4 OCT 1978

SUBJECT: Alternatives to the Structure of the All Volunteer Force -- INFORMATION MEMORANDUM

c. In addition to the initiatives and resources in the Army program, your study should identify other initiatives which may be required to man the total Army. In particular the two year enlistment option appears needed to increase quality in the active Army and strength in the RC's. RC recruiting and retention initiatives in the program should be extended to raise units to required new authorized strength, and the residual IRR shortfall should be eliminated through the direct enlistment option and/or other initiatives previously identified to OSD.

d. In the future if we find that initiatives now under way are not sufficient, Selective Service System peacetime alternatives may be needed. One alternative that may be considered is to draft individuals for 60 to 90 days for training and then discharge them into the IRR.

e. Although the Army has no specific proposal to change the Selective Service System laws to improve the effectiveness and fairness of the system, one issue must be examined closely in the course of the study. That issue is whether the law should provide for drafting women in the event of a National emergency to meet the male/female requirements of the Armed Forces.

f. The Army recognizes the significance of this effort to examine alternative AVF policy initiatives and the complexity of the task at hand. We stand ready to assist and provide information as necessary.

g. OCAR, NGB, OASA(M&RA), DAJA, OCLL and PA&ED concur.

1 Incl
Memorandum, ASD(MRA&L),
28 Aug 78

ROBERT G. YERKS
Lieutenant General, GS
Deputy Chief of Staff
for Personnel

NOTED - DSA

BOB E. LEHMAN
LTG GS
Assistant to Director
of the Army Staff

MAJ T. B. Reth/57485
Typed by V. J. Jimenez

THE ASSISTANT SECRETARY OF THE NAVY
(MANPOWER, RESERVE AFFAIRS AND LOGISTICS)
WASHINGTON, D. C. 20350

13 OCT 1978

MEMORANDUM FOR THE DEPUTY ASSISTANT SECRETARY OF DEFENSE (REQUIREMENTS, RESOURCES, AND ANALYSIS)

Subj: Alternatives to Current All Volunteer Force Policies

Ref: (a) ASD(M,RA&L) memo of 28 August 1978

Encl: (1) Initial DON Views on All Volunteer Force Alternatives

Reference (a) requested initial views concerning the SASC request for analysis of alternatives to current All Volunteer Force (AVF) policies.

It is too easy to remember the ease of recruiting under the draft while forgetting the many problems it generated. The thrust of our efforts should be towards making the AVF work rather than re-instituting the draft or some other similar concept. The goal of these efforts must be to increase retention and thereby reduce accession requirements. In order to achieve this goal, Navy needs improved tools and the management flexibility to use them efficiently. At the same time standby draft mechanisms need to be improved, to be able to effectively produce manpower at the rates required by our mobilization scenarios.

The attached comments are initial reactions to the SASC tasking. Further assessment of the issues in the DOD response to the requirement may expand or modify these initial views.

Bernard Rostker
Principal Deputy
Assistant Secretary of the Navy
(Manpower & Reserve Affairs)

INITIAL DON VIEWS ON ALL-VOLUNTEER FORCE ALTERNATIVES

A. Maintain Competitive Wages. Navy data (TAB A) indicates there has been an erosion of military starting pay relative to private sector opportunities. Specifically, a comparison of Regular Military Compensation (RMC) for an E-2 with the weekly wage for non-supervisory production workers on non-agricultural payrolls indicates approximately a six percent decline since the advent of the AVF in 1973. Key to the success of an all volunteer force is maintaining wage competitiveness with the private sector. If military wages are subjected to pay caps while civilian wages keep pace with inflation, the end result is either reduced accession quality or accession quantity shortfalls. A primary objective of the 4th QRMC should be to address this erosion of compensation (including special pays).

B. Flexible Bonus Authority. The present staffing and review process for selected reenlistment bonus and enlisted bonus programs is lengthy and extensive. It is not possible to react quickly to changing market conditions. Increased flexibility within a total dollar constraint would enhance Navy's ability to manage enlistment and reenlistment programs. This flexibility could be achieved if Congress and OSD would authorize a discretionary lump sum for bonus management that could be applied selectively at the service level. While the major portion of these programs would still be subject to the intensive critical review process, the flexible portion could be utilized to react to unforeseen problems.

C. Direct Procurement Accession Programs. The military services face significant difficulties in meeting accession requirements. The problem facing the Services is that there is little wage flexibility available other than recruiting at an advanced pay grade. Unfortunately, pay grade is intrinsically linked to military responsibilities other than those of a technical nature. While the Services are beginning to obtain increased wage flexibility as evidenced by a recent OSD authorization to pay enlistment bonuses, this flexibility must be expanded if the Services are to successfully adjust to changing market conditions. For example, funds could be authorized for new bonus programs such as a bonus for junior college graduates with technical degrees or cooks with private sector experience.

D. Sea Pay. Navy and Air Force, offer in general, the same spectrum of occupations and demand the same types of skills. Yet Navy enlistments and personnel retention do not equal Air Force achievements in these areas. The major difference contributing to these disparities is the rigor of sea duty. Currently, new career sea pay entitlement is provided in the FY79 Authorization Bill. The new rates are approved commencing in FY79 and increasing to the maximum level in FY82. Navy requires implementation of full sea pay rates immediately rather than waiting a three year transition program. The costs of personnel turnover exceed the increased dollar outlays of immediate and full Sea Pay implementation

E. Strengthen Selective Service System. The Gates Commission, recognizing the All Volunteer Force was essentially a peacetime concept, strongly argued that a registry of draft eligibles be maintained for callup in event of a national emergency. In the intervening years successive budget cuts have reduced the effectiveness of the selective service system. Some estimates

indicate the first draftee will not be available to the Services until two hundred days after mobilization. Navy endorses a strengthening of the selective service system to reduce the pipeline in event of a national emergency. An expanded role for the selective service, perhaps through a low key registration program, could have an added benefit of increasing the awareness of youth to the benefits of a military career.

F. Individual's Cost of Attrition. Attrition and desertion has grown markedly since the abolition of the draft. During the draft era, employers would seek information about the draft status of job applicants. Successful completion of military service was an easily identified characteristic. In the AVF environment, this question is never asked. The penalty to an individual of attriting prior to the end of his active obligated service date has been reduced. The Law Enforcement Assistance Administration (LEAA) has sponsored many econometric studies indicating that the supply of crime is inversely proportional to the rapidity and severity of punishment. There is no reason to think that military discipline offenses are not subject to the same incentives. The penalty of attrition must be increased as a partial solution to motivate individuals to satisfy the terms of their enlistment contracts and thereby reduce the number of required replacements.

Examples include denial of Veterans benefits and allocation of funds for use by law enforcement agencies to apprehend and prosecute long term unauthorized absentees and deserters.

G. Eliminate Legislative Incentives to Separate. Public Law 94-502 limited entitlement to veteran educational benefits. Specifically, no benefits under Chapter 34 and 36 of Title 38, USC would be payable after 31 December 1989. This legislation provides a strong incentive for experienced careerists to leave the service in order to take advantage of previously earned educational benefits. This "negative bonus" can be eliminated at minimal cost by extending eligibility for benefits for a minimum five years from the members date of separation from active duty.

H. Modification of Privacy Act Constraints. Canvassers and researchers are currently denied access to many records that might simplify the recruit selection process in the AVF. For example, prospects with prior arrest records often conceal this information in order to gain entrance to the service. While the services are willing to continue their history of being able to rehabilitate wayward youth, research studies indicate this is not a costless process. Navy data indicates the presence of a "bad apple" effect whereby sympathetic attrition occurs. An increased proportion of high attrition risks in a cohort not only results in high attrition in the high risk group, but also a marked increase in attrition in the low attrition risk group.

The ability to pre-screen prospects based on pre-service variables is currently constrained to service administered tests and applicant volunteered statements. Excellent attrition predictor variables such as school truancy and tardiness data cannot be obtained. Currently the best predictor available is the presence of a high school diploma. There are undoubtedly many lower

mental group, non-high school diploma graduates that would indeed be excellent service personnel, however, there currently is no way of screening those with potential from those without it. Attendance data might prove the correct indicator. Likewise, there may be a class of juveniie offenses that are predictors of future military discipline problems while other juvenile offenses that represent spur of the moment peer pressure acts may not be indicative of future military discipline problems.

If better attrition predictors and tools were made available, it would be possible to improve allocation of recruiter time as well as achieve significant attrition savings thereby reducing accession requirements.

I. Civilian/Contractor Substitution. Research by Brookings, Rand, and other independent research firms, as well as Navy analysis, indicate significant savings are available in both military manpower and taxpayer's dollars for contracting or civilianizing military billets which are not essentially military functions. A problem exists in that, although the total costs to the taxpayer may be lower from civilian substitution, the cost to the Service may be higher. Military retirement is not in the Service's budget while the contracting cost must include fringe benefits and retirement cos

This factor provides a dis-incentive to the Services. A restructuring of the DOD budgetary process would create the appropriate incentives for the Services to implement further civilian substitution.

J. Relaxation of Constraints on Recruiters and Career Counselors All the Services are faced with the grim prospect of recruiting in a period of declining youth population. To meet the population challenge of the 1980's, relaxation of arbitrary constraints on recruiting and counseling resources is required. In particular, the relaxation of the limitation on the total number of recruiters and career counselors that can be employed by the Services is of particular urgency. As the ability of the Services to quantitatively identify the incremental effects of the various recruiting tools on increased enlistments improve, greater flexibility in allocating total resources is necessary to obtain the maximum payoff and improved retention.

K. In-Service Educational Opportunities. Increased funding for existing and new in-service educational programs offers an opportunity to improve the education level of Navy's forces for a commensurate added period of additional obligated service. Improved first-term retention and recruiting performance are expected results of increased availability of such programs. Navy's Broadened Opportunity for Officer Selection and Training (BOOST) Program is limited to 200 enrollees for FY80. This program increases enlisted accessions to NROTC/USNA through preparatory education and enhanced scholarship opportunity. Areas which also require expansion are the Enlisted Education Advancement Program (EEAP)--two years of undergraduate education leading to an associate degree in a technical field, and the Enlisted Commissioning Program (ECP)--two years of undergraduate education leading to a BS degree. Navy needs the flexibility and funds to provide time off for education in exchange for obligated service for a limited member of career

petty officers.

Such programs provide direct benefits to the member, improve accessions and retention, and provide the Navy with educated petty officers and experienced officers.

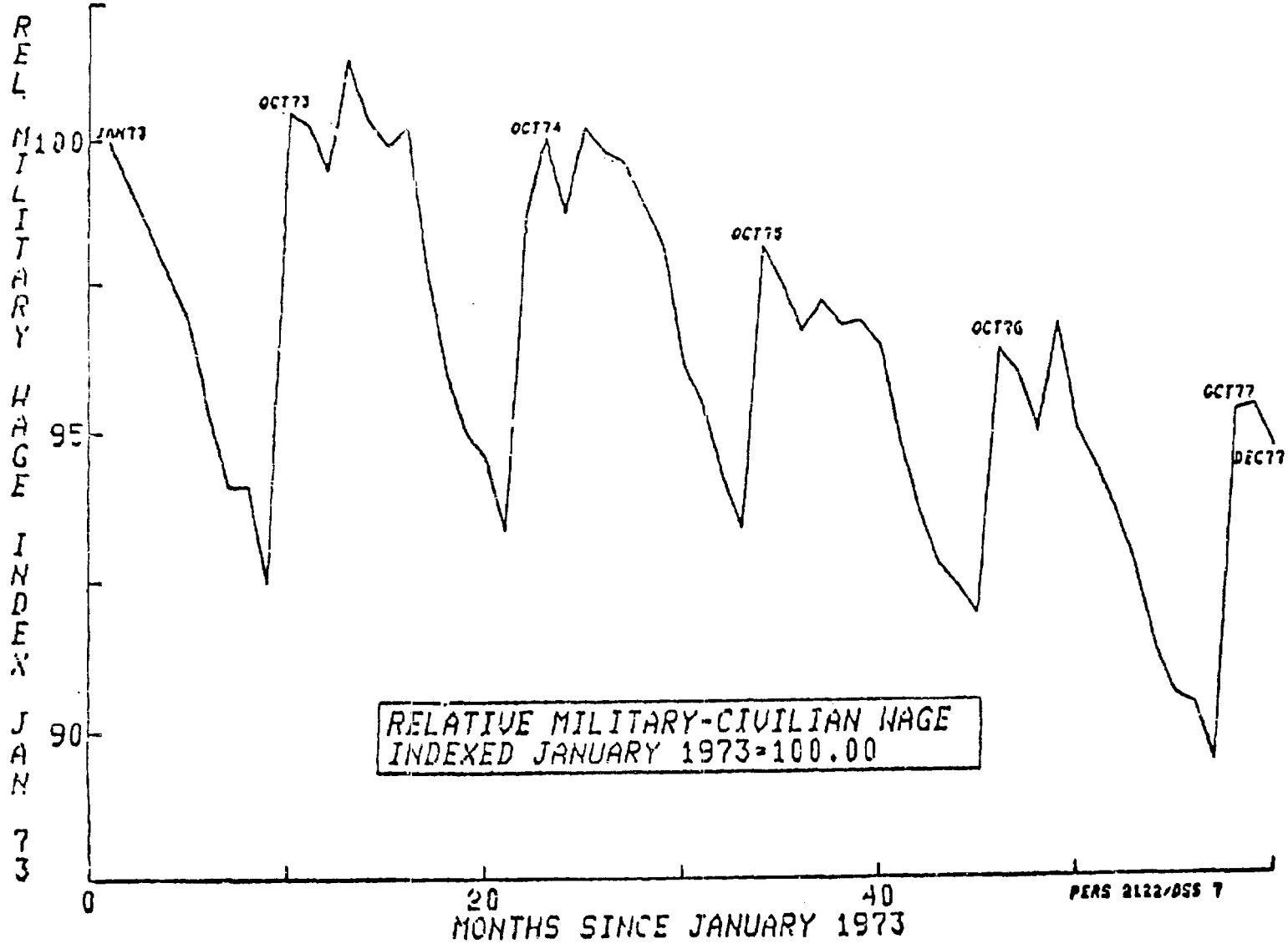
L. Establishment of Increased GI Educational Benefits

The old GI Bill education benefits were replaced by the Veterans Educational Assistance Program (VEAP) effective 1 January 1977. However, acceptance of this contributory program has proven to be marginal at best. VEAP is not a lucrative enlistment incentive. The quality high school graduate, who lacked sufficient funds for a college education, lost in essence a $4,000 plus enlistment bonus with the demise of the old GI Bill.

M. Reduction of Physical Standards for Enlistment

Lower physical standards apply primarily to permitting greater deviation in the weight norms. Marine Corps experience has shown that excessively overweight individuals attrit at a very high rate. On the other hand, however, the Marine Corps has for years accepted and will continue to accept individuals 10% underweight.

Enclosure (1)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TAB A

DEPARTMENT OF THE AIR FORCE
WASHINGTON, D.C. 20330

OFFICE OF THE ASSISTANT SECRETARY

October 26, 1978

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (MANPOWER, RESERVE AFFAIRS, AND LOGISTICS)

SUBJECT: Senate Armed Services Committee Requirement to Study Alternatives to the Structure of the All-Volunteer Force - INFORMATION MEMORANDUM

This memorandum responds to the Assistant Secretary of Defense, Manpower, Reserve Affairs, and Logistics memorandum, dated August 28, 1978, subject as above.

The Senate Armed Services Committee's (SASC) request addressed three areas, specifically, more equitable Selective Service laws, changes needed to implement a standby draft and alternative ways to improve military recruiting. The Services were also asked to comment on other alternatives they believed were appropriate. Our initial views on these subjects are at attachment 1.

We recognize the increased costs necessary to support some of these initiatives. However, we believe they are necessary and important to the success of the All-Volunteer Force while simultaneously representing a wise investment in terms of decreased attrition, improved discipline, satisfaction with the Service way of life, and improved readiness.

We appreciate the opportunity to present our initial thoughts. Request the Air Force be advised of the OSD intentions in responding to the study.

Antonia H Chayes

Antonia Handler Chayes
Assistant Secretary of the Air Force
(Manpower, Reserve Affairs
and Installations)

1 Attachment
Initial views

AIR FORCE INITIAL VIEWS ON THE SENATE ARMED SERVICES COMMITTEE REQUIREMENT TO STUDY ALTERNATIVES TO THE STRUCTURE OF THE ALL-VOLUNTEER FORCE

The Senate Armed Services Committee (SASC) asked to have the following alternatives to the current policies of the All-Volunteer Force (AVF) examined:

ITEM

Changes in existing Selective Service Laws to improve both the effectiveness and fairness of the Selective Service System in the event it is needed.

INITIAL VIEW

We recommend no specific changes at this time, but two basic tenets should be included. First, we must assure that any return to a conscription is perceived by the public as necessary and equitable. Second, in the event of mobilization, voluntary enlistment must still be accepted as opposed to all youth being allocated strictly upon the needs of the Services.

ITEM

Changes needed for an effective standby draft for active or reserve forces.

INITIAL VIEW

1. Instituting mandatory registration at age 18 for both males and females should be fully explored. It is an effective way to accomplish the necessary task of registering a full year group of youth in a timely manner, a key factor for DOD to be able to reasonably expect to meet its manpower mobilization requirements.

2. Aptitude testing in high schools or for registrants at time of registration instead of at time of enlistment should be examined in-depth. In addition to aiding classification, side benefits may accrue to recruiting efforts by both increased awareness of military opportunities and in identifying potential quality applicants for enlistment. However, to require medical examinations in a similar fashion appears to be cost prohibitive.

3. Since preparation implies quicker mobilization, it would appear a standby system to classify registrants in the event of mobilization would have merit. However, this issue needs to be evaluated in the entire perspective of the Selective Service System's scheduling and processing requirements. It would appear to have little additional favorable impact on peacetime recruiting efforts beyond that provided by early aptitude testing.

ITEM

Alternative ways to improve and increase military recruiting.

INITIAL VIEW

1. Access to high school students at or following registration by active and reserve military recruiters is promising and needs to be fully examined.

2. We presently have an ongoing evaluation of the role of the recruiter and possible changes to our current recruiting goal allocation/tasking system and the size of the recruiting force. We are evaluating different methodologies to see if we can more effectively utilize our recruiting resources. A recruiting initiatives conference is specifically addressing ways to increase recruiter productivity. We anticipate these actions will help to provide us alternative ways to improve recruiting.

ITEM

Other initiatives not specifically addressed in the SASC request which need close and careful consideration.

INITIAL VIEW

1. Public attitudes toward national defense and toward military service and the kinds of opportunities the military can offer our young people will play a vital role in the ultimate success of the AVF. A program of increased public official participation in explaining the opportunities of the service way of life in both institutional and occupational terms would appear most appropriate.

2. If the AVF is to continue to attract the necessary kinds and numbers of people, we must insure the maintenance of a pay and benefits package commensurate with the unique demands and sacrifices associated with military life. Increased Service flexibility in managing special and incentive pays would make these key compensation elements more responsive to changing civilian market conditions affecting recruiting and retention.

3. To penetrate the tightening recruiting market not only in non-prior service but for scientific and engineering officer accessions increased advertising and recruiting resources will be needed.

4. The Veterans Educational Assistance Program (VEAP) so far has failed to be the significant enlistment incentive formerly provided by the old G.I. Bill. The loss of the educational opportunity, both in-service and post-service, as provided by the old G.I. Bill, has seriously eroded our enlistment incentive package and full consideration should be given to restoring this lost opportunity. In addition, the 31 Dec 1989 termination date for the old G.I. Bill works at cross-purposes with our retention goals which will, in turn, generate increased recruiting requirements.

5. The shortage of physicians especially in certain specialty areas continues as a problem. To enhance physician recruiting, a more comprehensive physician pay program, with permanency, to minimize the current civilian/military compensation disparity, maximum support of existing and planned residencies, continuing health education programs, increased health profession scholarship program (HPSP) space authorizations to offset both physician and dentist shortfalls, along with the resolution of the HPSP tax exempt issue should be major considerations.

6. Improvements in the CHAMPUS program will be essential to the delivery of adequate health care to military members, retirees and dependents. In this regard the Air Force supports a return to the 90th percentile reimbursement level, use of more current physician fee schedules, and significantly improved claims processing procedures.