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Meeting the Military's Manpower Challenges

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To understand the manpower challenges facing the Department of Defense (DOD) as it unveils its latest QDR, it is first necessary to lay out the principles on which the All Volunteer Force (AVF) was created in 1973. When the Nixon administration set up the Gates Commission to fulfill the President's 1968 campaign promise to end the draft, it established an AVF composed of four separate but interrelated parts.

First, the active component of the Armed Forces, particularly the Army, would be much smaller than it was during the days of the draft. Consequently, during the Nixon administration, the size of the active force was not only reduced from its Vietnam War level of 3.6 million people, but cut below its pre-Vietnam War level of 2.8 million. By 1975 it had dropped to 2.1 million. This was done because creating the AVF would eliminate the hidden tax of conscription, meaning that the military would now have to pay market wages, even for its lowest ranking members, to get qualified volunteers. It had to do this because without the threat of the draft looming over their heads, young men would now be less likely to "volunteer" for the Navy and Air Force or for non-combat jobs in the Army. Nor could they any longer be forced into the Army's combat forces. Thus, the cost per person nearly doubled and even with the smaller force, military personnel costs rose from \$19.8 billion in 1968 to \$24.2 billion in 1974.

Second, the guard and reserve would become a vital part of what eventually became known as the Total Force. No longer would the reserve component be a place for many men, seeking to avoid two years of active service or being sent into a war zone, to spend one weekend a month and two weeks in the summer simply going through the motions. For example, only 6,140 National Guardsmen served in Vietnam. Beginning in 1973, it

would be a strategic reserve trained and equipped to augment on short notice the comparatively small active force for short wars that required a significant commitment of forces, like the first Persian Gulf War, or conflicts like the Balkans which involved the deployment of a comparatively small number of forces for an extended period. It would also provide a short-term solution until the draft could be reinstated if the nation became involved in an extended conflict requiring large numbers of forces to be deployed for significant periods, as we did in Korea and Vietnam. This would enable the Department of Defense to fulfill its moral commitment to provide active forces at least two years at home for every year in the theater and to mobilize the Guard and Reserve only once every six years.

Third, just as they did during the days of conscription, young men would have to register with the selective service when they turned 18. That body would maintain a list to be activated if this nation found itself in an extended conflict requiring significant numbers of troops. Although draft registration was cancelled by the Ford administration to save a few dollars, it was reinstated by the Carter administration in 1979 after the Soviets invaded Afghanistan and restored permanently by the Reagan administration.

Fourth, to diminish the need for military manpower and allow the services to use their military members to focus on critical combat and combat support areas, the Pentagon would privatize all those functions that were not inherently military or governmental, particularly in support and logistics. For example, preparing food and repairing equipment back in the United States.

During the wars in Afghanistan and Iraq, the Bush administration essentially trashed these principles and caused severe damage to the armed forces, particularly the Army, and the nation because the president would not declare a national emergency and activate the draft for fear of undermining support for his mindless, needless, senseless war in Iraq. Thus, the comparatively small active force Army was deployed to Iraq and Afghanistan again and again without sufficient dwell time in between deployments. As indicated in Table 1, by the summer of 2008, 36 of the Army's 44 combat brigades had two or more tours in Iraq or Afghanistan and the brigade combat teams had spent an average of 30 months in combat areas since 2002. And as indicated in Tables 2.1 – 2.3, the enlistment and reenlistment standards were dropped to unprecedented levels and by 2008 more than one of five Army recruits received moral waivers. These actions led to dramatic increases in mental problems, suicide rates, and spousal abuse. A RAND study estimated that about 400,000 servicemen and women suffered from mental problems and in a report issued in January 2009, the Defense Business Board concluded that anyone who spent 25 months in Iraq was overstretched.

The Bush administration also transformed the Guard and Reserves from a strategic reserve to an operational reserve, rotating the Guard and Reserve with the active forces in and out of Iraq and Afghanistan. In 2005, 46 percent of the troops in Iraq were from the Reserve component. Overall, 80 percent of the members of the Guard and Reserve have been deployed to Iraq or Afghanistan at least once. Finally, private contractors were forced to take on inherently governmental functions and unlike the First Gulf War, where only 10 percent of the people in the theater were private contractors, in Iraq and

Table 2.1: Percent of active Army recruits with a Tier I education by year

Active Army	FY 2005	FY 2006	FY 2007	FY 2008
Percent of recruits with Tier I education	87%	81%	79%	83%

Table 2.2: Percent of Army recruits with “moral waivers” by year

Active Army	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008*
Percent with waiver	12.0%	15.3%	18.4%	22.6%	25.8%

*As of March 2008

Table 2.3: Percent of Army National Guard recruits with “moral waivers” by year

Army National Guard	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Percent with waiver	n/a	11.6%	10.8%	10.6%	12.3%*

*As of March 2008

Source: “Building a Military for the 21st Century,” Center for American Progress, December 2008.

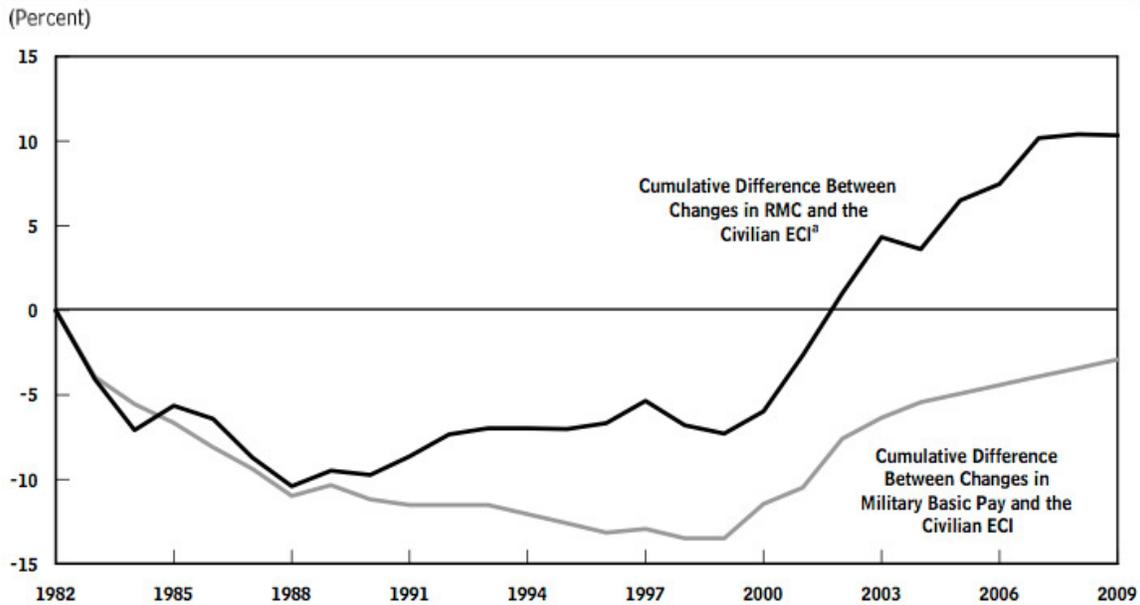
Afghanistan the contractors often outnumbered the military, causing no end of problems in the war zones.

The Bush administration compounded the manpower problems caused by the wars by undermining the role of career civil servants and moving many of their responsibilities to the private sector, for example, in acquisition, where it had private contractors actually monitoring the performance of other private contractors. This resulted in an increase in the percentage of private contractors in the work force from 26 to 39 percent. And the armed forces continued to discharge thousands of qualified service men and women on the basis of their sexual orientation, even those with critical language skills, like Arabic

and Farsi.

In addition to over stretching the ground forces, the military was forced to raise pay and bonuses to unprecedented levels to get and keep the required number of people and to increase the size of the active ground forces by about 100,000. In addition, the Pentagon leaders and Congress used basic pay, rather than regular military compensation, in deciding on the size of the annual pay raise. As indicated in Figure 1, regular military compensation is now 10 percent higher than the legal standard for measuring military pay.

Figure 1
Cumulative Difference Between Changes in Military and Private-Sector Pay Raises Since 1982



Source: Congressional Budget Office.

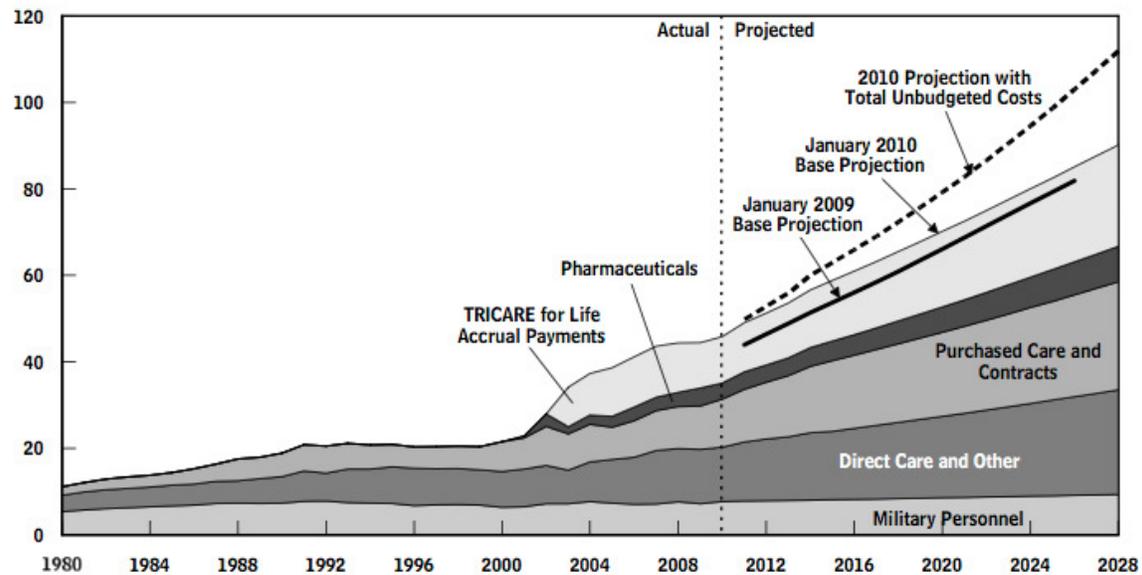
Similarly, the Congress has refused to raise TRICARE co-pays since 1995, even though, as indicated in Figure 2, TRICARE costs have more than doubled to \$46 billion in FY2010 since that time and will more than double again over the next 15 years.

As a result, military personnel costs have risen to unprecedented levels, both absolutely

and as a percentage of the defense budget. By FY 2010 military pay and benefits, including health care, amounted to about \$200 billion or 38 percent of the overall base defense budget. Moreover, because the total cost for each active troop was allowed to rise by more than 5 percent above the rate of inflation, the personnel cost for each active duty member jumped from \$65,000 in FY2000 to about \$110,000 in FY2010. Finally, the Pentagon also resorted to a back door draft by invoking stop-loss for several hundred thousand men and women, keeping some on active duty for as long as two years beyond their agreed upon enlistment, and involuntarily recalling thousands who had completed their enlistment but still had a military service obligation.

Figure 2
Resources for the Military Medical System

(Billions of 2010 dollars)



Source: Congressional Budget Office.

The current economic situation has provided a temporary respite from the manpower crisis confronting the Pentagon. Moreover, if President Obama keeps his campaign pledge to remove all the combat troops from Iraq by this summer and follows up on his

promise to begin withdrawing troops from Afghanistan next summer, the ground forces may be able to increase the dwell time to more appropriate levels and not have to resort to stop-loss and involuntary recall. During this lull in the storm, the administration should enact the following policies in the QDR:

First, no unit or military man or woman will be sent to a combat zone for longer than a year and will not be sent back involuntarily without spending at least two years at home.

Second, stop loss will be discontinued.

Third, the Guard and Reserve should return to their status as a strategic reserve and no unit or individual in the Reserve component should be activated for more than one year out of every six.

Fourth, when an individual joins the active component, his or her obligation will not exceed six years or more than four years active service, whichever comes first.

Fifth, in order to suspend any of the first four policies, the President must declare a national emergency and reactivate the selective service system.

Sixth, inherently governmental functions should be performed by government military and civilian workers whether in the field or at headquarters. The private sector should take on only support and logistics functions. Therefore the number of DOD civilians should be increased by at least 50,000 and the percentage of private contractors dropped to 20 percent.

Seventh, the Pentagon should ask the Congress to repeal the Don't Ask, Don't Tell policy as well as restrictions on women in combat. All positions in all the services should be open to all qualified people regardless of their gender or sexual orientation.

Eighth, as recommended by the 10th Quadrennial Review of Military Compensation (QRMC), the Pentagon should take a broader view of military compensation when considering annual pay raises, that is, use regular military compensation (RMC), rather than basic pay in calculating the amount of the annual military pay raise.

Ninth, increase the TRICARE co-pays and establish a fair income level beyond which retired TRICARE beneficiaries must prove that they do not have access to an additional plan through their family or employer.

Unfortunately, the QDR does none of these things. In fact, it plans to continue the disastrous manpower problems of the Bush administration. While it says it wants to "preserve and enhance" the all-volunteer force by "transitioning to sustainable rotation rates," it qualifies this rotating goal with the caveat "as the operational environment allows." It does not answer the question of what happens if the operational environment does not allow it.

The QDR then compounds the problem by saying "the Department plans that in times of significant crisis, U.S. forces will be prepared to experience higher deployment rates and lower dwell times for up to several years at a time..." Is that not what the Bush administration did with disastrous results over the past several years? How many more mental problems, suicides, moral waivers, and misuse of private contractors will we need

before activating the selective service system (which, by the way, is not mentioned in the QDR)?

Finally, while the QDR talks about sizing and shaping the force, it does not talk about how to pay for it. If present trends continue, the cost of each individual man or woman will be over \$200,000 by the end of this decade if pay raises continue to be calculated using base pay, rather than regular military compensation. Similarly, it does not address the question of how the Department can afford to pay \$100 billion for its medical system.