Is the All-Volunteer Force a “mercenary army”?

Should We Bring Back the Draft?

By Walter Y. Oi
University of Rochester

For a quarter of a century, 1948–1973, young American men faced a military service obligation. They could be drafted to serve in the enlisted ranks for 24 months if the obligation was not discharged by deferment, exemption, or serving in the Reserves or active duty forces as an enlisted man or officer. Conscription was abolished on July 1, 1973. Since that date, the basic training camps have been populated by young men and women who have voluntarily chosen the military over alternative civilian jobs and activities.

Stanford historian David M. Kennedy wrote in a 2006 American Academy of Arts and Sciences Bulletin article that this development is alarming: “The U.S. Armed Forces today have many of the attributes of a mercenary army.” This essay asks if Kennedy’s assessment is correct — is today’s All-Volunteer Force (AVF) a mercenary army? Moreover, is the AVF representative of the population that it defends? Finally, how does the AVF depart from the composition of some hypothetical force that might emerge under some other method of manpower procurement?

The Road to Kalamata
How does one distinguish between a mercenary and a volunteer? Kennedy begins with the definition of a mercenary from the Random House Dictionary: “working or acting merely for money or other rewards, ... hired to serve in a foreign army.” The Hessians who fought on the banks of the Delaware River, the soldiers in the French Foreign Legion who accompanied Napoleon in his invasion of Russia, as well as the men who died in the battle of Dien Bien Phu and the Ghurkas who waged war for the British were surely mercenaries.

“Mercenaries” would also describe the 83 men recruited by Mike Hoare in February 1961 as part of a small force of 200 men that augmented a Belgian army of 15,000 fighting for Moise Tshombe in the struggle for the independence of Katanga. Hoare’s memoir, The Road to Kalamata, describes the activities and lives of this small band. A mercenary in Hoare’s army signed a contract for six months. An enlisted man received a basic rate of pay of $150 a month, plus $5 for each day he was in an officially declared danger zone. Basic pay plus danger pay often totaled $300 a month, roughly twice as much as a qualified artisan earned in the South African labor market. Hoare believed that most men felt that the rate of pay was reasonable for the risk involved, although they had no means of assessing what that might be. The contract also covered such contingencies as loss of life, wounds, hospitalization, notification of next of kin, etc. “We had to report whether we were left-handed or right-handed since this would affect our compensation if we lost a hand.”

Hoare’s pay package for a mercenary army resembles the way in which most soldiers are paid: basic pay supplemented by special and incentive pays. The level of pay is set at a competitive rate, high enough to attract soldiers but not outrageously extravagant.

What sort of men joined Hoare’s army? They were men selling their skills as soldiers. They did not question the moral implications of their actions. As Hoare put it:

I found mercenaries were men who were never small or niggling types, not any more cruel, or licentious, or blood thirsty than their brothers in city streets.

Invariably they were generous and spent the money they earned with easy abandon, which made them attractive companions.... A small proportion were adventurous, and these were not the least bit interested in money.... I told my men that if they volunteered for this way of life for the money, they would not last out their contract.... [T]he majority of them lived only for the day and for their carefree attitude.

His mercenaries were all volunteers; in his estimation, a volunteer was worth 10 pressed men. Hoare believed the volunteers’ mental outlook was entirely different: The volunteers

Walter Y. Oi is the Elmer B. Milliman Professor of Economics at the University of Rochester. Oi served as staff economist for President Nixon’s Commission on the All-Volunteer Force.
were there because they wanted to be there, and they knew they could break their six-month contracts at will. We have no data on the schooling or family wealth of Hoare’s men, but we do know that when Tim Donaldson was captured by the Balubas, his father flew to Africa and spent a month searching for his son, which suggests that Donaldson came from a very high-income family.

A soldier in Hoare’s army was a party to a temporary employment relation. He was hired for a specific task: to fight a known enemy and provide security for the larger Belgian army. The job ended when the task was completed. The term of the contract was short. The soldier had no long-term commitment to Moise Tshombe and Katanga. The mercenary contract resembled the arrangement between a farmer and a migrant worker: The worker is paid to harvest a crop or cultivate a field; he has no long-term commitment. He earns his wages, sends remittances home, and moves on to the next temporary employment relation.

**STYLIZED FACTS AND FANCIES**

Professor Kennedy is one of a number of writers on the AVF who assert a stylized fact: the young men and women who join today’s armed services do so mainly for the money and benefits. From this stylized fact, critics of the AVF often jump to the assertion made by Princeton professor Uwe E. Reinhardt in a 2006 *Washington Post* op-ed: “It is well known that to fill the ranks, the Pentagon relies heavily on the bottom half of the nation’s income distribution, sending recruiters to the slums and low income neighborhoods.” This may be “well known” but it is untrue; Reinhardt apparently has not looked at the data and instead is peddling a stylized fancy.

Let us consider the young people who serve in the AVF, and who served under the old conscription system. Obviously, under either system, not everyone is physically fit to serve. The Universal Military Training and Service Act, the draft law, judged mental fitness by an individual’s score on the Armed Forces Qualification Test (AFQT). Those with a score of 10 or lower were placed in draft classification IV-F and exempted. When draft calls were low in relation to the pool of eligibles, the lower bound was raised. During the last decade under the draft, men with AFQT scores below 20 were deferred. A 1964 study reported that more than one-third of the nation was unfit — specifically, 35.6 percent of draft-eligible men who passed through Armed Forces Examining Stations failed to satisfy the physical and/or mental qualification standards.

Attritions are costly and were a problem even under the draft. In the first five years of the AVF, Congress allowed military pay to slip. To meet recruiting goals, the Army accepted lower-quality recruits, some with police records, even though military brass realized that there was a relation between quality and retention. In order to have 100 soldiers on board at the end of two years, the Army had to recruit, enlist, and train 131 high school graduates or 188 high school drop-outs.

In the early 1980s, under the AVF, Gen. Maxwell Thurman introduced a high-quality-personnel policy. Army recruiters were instructed to find young men who had a high school diploma and an AFQT score of 50 or higher, which means that recruits had to be from the top half of the mental test distribution. With high-quality recruits, the Army was able to reduce the size of basic training camps by 27 percent. Additionally, brighter soldiers could handle the technical materials in the advanced individual training courses, which enabled the Army to upgrade its entry-level training. Thurman, in a chapter he contributed to the book *Professionals on the Front Line*, wrote:

The existing Army training system was predicated on a World War II conscription supported mobilization scheme where training was just a phase in which all units participated before deployment. The Army had not adjusted to the point where training for combat was an integral part of daily peacetime activity for the AVF.

The structure of the AVF differs from that for a mixed conscript/volunteer force. The fraction of the force assigned to the combat arms (e.g., the infantry, armor, Airborne, Special Forces) is smaller under the AVF, with more service members in the supporting logistical tail. The Army has substituted capital and trained soldiers for raw, untrained labor.

That change has affected the attractiveness of military service. Consider a model in which a job $j$ is characterized by its compensation $C_j$ and the disutility of work $D_j$. Compensation is more than the wage. Values have to be imputed to the “in kind” fringe benefits such as “free parking,” health insurance, claims to future pension benefits, and time-off benefits for paid vacations, sick leave, and personal leave days. The worker can be imagined to evaluate the various aspects of a job. His assessment is summarized by an index of the disutility of work on this job, $D_j$. Let $C_j$ denote the compensation that the worker will receive if he takes the job. Let $\{D_m, D_s\}$ and $\{C_m, C_s\}$ denote the disutilities and compensations of jobs in the military and alternative civilian sectors. This individual will enlist in the AVF if he believes that the military yields the larger net utility, that is, $[C_m - LD_m] > [C_s - LD_s]$ where $L$ is a factor that converts disutilities to dollars.

Money is clearly the major part of employee compensation. However, today’s pay packages contain a variety of fringe benefits. Most employees will give up part of their money wages in exchange for employer-provided health insurance, free parking, or longer paid vacations and time-off benefits. If an employee is prepared to forgo wages to obtain a certain benefit, that benefit is properly counted as part of employee compensation.

When enlisted Navy men were asked the reasons why they volunteered, “service to country” was a major response. Other responses included acquiring skills that will be useful in the civilian labor market, qualifying for post-service educational benefits, getting into the submarine corps or other special assignments, etc. Michael Hansen and Sam Kleinman reported in a 2005 Center for Naval Analyses study that “training to learn technical skills” was a major component of compensation in attracting youths to become sailors. Navy enlisted recruits do not behave like mercenaries. American sailors will postpone gratification to get training today, not at all like the carefree men in Mike Hoare’s mercenary army.

**CHARACTERISTICS OF THE AVF**

The Armed Services have never been, and are not now, representative of the U.S. population. The characteristics of the
Enlisted recruits do not behave like mercenaries. They postpone gratification today in order to receive advanced training.

**GENDER** In 1973, the last year under conscription, women made up only 4 percent of the active duty force. There was apparently little pressure to find, recruit, and train qualified women when men could be drafted. In the transition to the AVF, the share of women in uniform rose to 12 percent in 1990 and 15 percent in 2000. The role of women was also changing, as Aline Quester and Curtis Gilroy noted in a 2002 *Contemporary Economic Policy* paper.

**ACCESSION** Not everyone is fit to serve. In the last decade under the draft, 1964–73, a man was excused from military service (via exemption or deferment) if his score on the AFQT was under 20. The accession policy introduced by General Thurman in the early 1980s raised the minimum acceptable AFQT score to 30 as well as a high school diploma — a G.E.D. would not do.

Of course, the AFQT is not an accurate instrument. From January 1976 to October 1980, the Department of Defense slipped and mis-normed the test. Roughly 25 percent of Army accessions would not have met the mental qualification standard with a correctly normed test. The mistake has been corrected. Judged by mental test scores, the AVF in 2000 is considerably superior to its conscription-era counterpart.

**EDUCATION** According to Kennedy, “While 46 percent of all Americans have some college education, only 6.5 percent of the 18 to 24 year-old enlisted men in the Army have ever seen the inside of a college classroom.” But are AVF soldiers educationally inferior to the people they are defending? Beland and Gilroy, in their *Washington Post* op-ed, note that 90 percent of Army enlisted men have a high school diploma compared to 80 percent for the entire economy. Moreover, Kennedy ignores the AVF officers, nearly all of whom have graduated from college.

**INCOME** Professor Reinhart claimed that the vast majority of enlisted accessions are drawn from the bottom half of the income distribution. Yet, high-quality recruits with high school diplomas and strong mental test scores are unlikely to be found in slums and low-income census tracts. Beland and Gilroy found that the neighborhoods in which most Army enlistees resided had incomes above the average for all census tracts. They do not come from the bottom half of the income distribution.

**RACE** The Armed Services are equal employment opportunity employers. In 1995, only 7.6 percent of all college graduates were African American. However, 12.0 percent of all officers were African American. Blacks are over-represented not only in the officer corps, but also in the enlisted ranks. The presidential commissions on the draft chaired, respectively, by Burke Marshall in 1967–68 and Thomas S. Gates in 1969–70 heard witnesses who testified that African Americans were carrying more than their fair share of the defense burden in the Vietnam War. Some 30–40 percent of the soldiers in the infantry and combat arms were African Americans.

Critics of ending the draft predicted that a change to an AVF would result in those percentages rising and the nation would be protected with the blood of an All Black Army. But that prediction was not borne out. In 1995, African American soldiers made up only 9 percent of the infantry in the AVF. Black volunteers chose military occupational specialties in supply, clerical, transport, and food services to enhance the chances of being promoted and retained. Contrary to the dire predictions, African American soldiers do not make up the majority of the soldiers on the front line. Instead, as noted in a 1999 *Wall Street Journal* headline, “Infantry Surprise: It’s Now Mostly White; Blacks Hold Office Jobs.”

**SHARING THE BURDEN** National security is costly. The dollar cost of the capital, labor (assuming the laborers are there by choice), and material resources devoted to defense can be measured by the defense budget. If soldiers and sailors are conscripted, the budget understates the economic cost of labor. On balance, taxes are progressive; wealthier persons bear more of the burden of the resource cost. In addition to the dollar cost, defense entails a human cost: the risk of losing life and limb.

The United States has tried to embrace a militia tradition of sharing the defense burden. Gen. Creighton Abrams, the
hero of Bastogne in 1944 and the Army chief of staff in 1974, introduced the total force doctrine: intermingling reserve and active duty units when they are mobilized for combat. “They’re not taking us to war again without calling up the reserves,” Abrams proclaimed. The aim of the total force doctrine was not only to save money but also to forge and maintain a bond with the American public.

Abrams persuaded the Army to accept the total force doctrine even though the regular Army historically disdained the National Guard for such things as permitting political connections to influence promotion decisions. Further, the Reserves supposedly were a haven for draft dodgers trying to escape a tour of duty in Vietnam. The Army and the National Guard did not object to a ruling that limited how reserve and active duty soldiers had to be used in the event of a deployment. However, when it came down to brass tacks in Desert Storm (the 1990–1991 Gulf War), the Army reneged. The 24th Mechanized Infantry division departed for the Persian Gulf without its 3rd Brigade — the 40th Brigade of the Georgia Army National Guard — despite the promises its commanders always made that it would only go to war with its citizen-soldiers by its side. No such glitches arose when the Guard and Reserve units were recalled for the Iraq War in 2003.

Reserve and Guard units are required to drill for only part of a year. Is there a relation between the casualty rate and the composition of the total force? Christopher Jehn and Zachary Selden, in a 2002 Contemporary Economic Policy paper, reported that, across 28 NATO countries, the ratio of reservists to active duty personnel is higher in countries placing more reliance on the draft to obtain soldiers. The draft spreads the defense burden over more citizens, but it may be a larger burden. In passing, it should be noted that police, firemen, and emergency medical technicians are more likely to belong to the Reserves; these are people who will be most needed in the event of a terrorist attack. The total force doctrine ought to be questioned; it may be a costly way to wage a war.

A SOCIAL COMPACT?

In his 2006 article, Professor Kennedy concluded that “a preponderant majority of Americans with no risk whatsoever of exposure to military service has in effect hired some of the least advantaged of their fellow countrymen to do some of their most dangerous business while they go on with their affairs unbloodied and undistracted.” This is simply not so. The men and women who serve in today’s AVF are not hired guns.

The AVF is not representative of the population it defends. But the very well-to-do and the highly educated have always been able to evade conscription. Military pay was raised to be competitive with wages in the civilian labor market. It was the right thing to do, to eliminate the hidden tax that had been placed on draftees. Members of the AVF enlist to serve their country, to get training and post-service education benefits, and engage in something that is worth their while.

Professor Kennedy and draft proponent Rep. Charles Rangel argue that in a democratic society, the burden of defense ought to be equitably shared. The composition of the AVF is not representative of the population it defends. But it must be remembered that the size of the Army in relation to the size of the U.S. population is smaller today than the armies that fought in Vietnam, Korea, or World War II. Kennedy and Rangel have proposed bringing back the draft, possibly embedded in a larger national service program in order to spread the defense burden. The very well-to-do and the highly educated have always been able to evade conscription. Maintaining freedom of occupational choice and relying on incentives to attract qualified individuals for our national defense is surely the most equitable method of procuring military manpower.

Readings