
Defense Report

AUSA



How Far Has Military Pay Fallen Behind Civilian Pay? Now We Know

In 1972, Congress approved a substantial pay increase for the Armed Forces of the United States. In part that raise was intended to spur enlistments in the newly conceived all-volunteer force but it also had the important purpose of bringing military pay into comparability with civilian pay. It was agreed at that time that military pay would be adjusted annually to compensate for the effects of inflation.

But, in order to save money, President Ford, in 1975, and President Carter, in 1978 and 1979, have "capped" adjustments to military pay at levels short of the actual increase in the Consumer Price Index. It has been obvious that military pay has fallen progressively further behind the rate of inflation but no one bothered to quantify that gap until a recent Department of Defense study brought out the specifics.

That study shows enlisted personnel have lost between 10.9 and 16.7 percent of their purchasing power since 1972, junior officers have lost between 15.1 and 19.0 percent, while senior officers (lieutenant colonels through four-star generals) have lost between 16.9 and 24.6 percent.

The study also shows that almost a third of all enlisted people earn base pay that equates to less than the Federal Minimum Wage—without considering the number of hours they may have to perform their duties over and above a "normal" 40-hour work week and disregarding their level of expertise at their jobs.

But while this gross decline in military purchasing power was occurring, professional, clerical, technical and administrative workers in the civilian sector were suffering a decline in purchasing power of less than one percent. At the same time, civilian workers in the production sector of our economy were gaining 8.6 percent in purchasing power. The report estimates that it would take a pay raise of between seven and 15 percent to reestablish military pay in the relative position it had in 1971—before the "comparability" pay raise! There was no estimate of how much it might cost to make up the money lost by each Soldier, Sailor, Airman and Marine since 1975.

The report makes it very clear that young service people are aware of the difference in income between themselves and their hometown contemporaries and that this perception of shortfall is a strong inducement to abandon the service after the first enlistment. This is an obvious weakness in our ability to attract and retain good people in our ranks, both as officers and as enlisted personnel.

Military people should be paid like the first-class citizens they are, not left to bring up the economic rear. If volunteerism is to succeed and if we are to have true equity military pay must keep pace with reality.