
Defense Report

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When Military Pay Doesn't Keep Up with the Cost of Living, Good People Leave the Services

Hard experience has shown the armed forces that whenever military pay falls behind comparability with civilian pay they can expect to begin losing people. That experience has also shown that the people most likely to turn in their uniforms are the ones hardest to recruit—those who score highest on aptitude tests and are high school graduates.

Service personnel managers are expecting that kind of an exodus during the next year because the Reagan Administration and Congress chose to set the October, 1982, pay adjustment at four percent, about half of what it should have been if all the mechanisms for setting military pay had been used. At the same time it was announced that there is no plan for a "catch-up" raise next year, so those whose enlistments will expire in the next 12 months have no special incentive to stay on board in the hope that the pay adjustment system will get back on track.

This "good folks go first" phenomenon should come as no surprise at the White House or on Capitol Hill. The services have taken great pains to explain that the recruiting success of the last couple of years has not been solely due to the depressed civilian job market. Pay comparability had been regained with a substantial pay adjustment on 1 October, 1981. There was hope for the approval of some long-needed improvements to the overall military compensation package, like dental care for family members and realistic reimbursement for the cost of official moves.

But all of this went down the drain this year, failing to get congressional approval. Existing incentives will not be enough to keep the higher quality people.

So the services are looking forward, with considerable unease, to a downturn in the number of people in the ranks who can do justice to the ever-more technical skills required to keep our forces prepared. The hundreds of millions of dollars spent over the past ten years in the effort to make the all-volunteer concept work may turn out to have had a little long-term worth—all because of a misguided effort to save some money in the near term.