
Defense Report

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Military Retirement—Two Systems?

The primary culprit in the current rash of proposals for change to the military retirement system is the perception associated with “youthful” soldiers retiring at half pay for 20 years of service. When critics talk about young military retirees they are speaking of, but not identifying, sergeants at age 37–39 with 20 years of service.

In the same breath they quote the retired pay of colonels/generals with 30+ years of service. Combining the two thoughts results in the descriptive term “lavish” retirement, giving rise to a picture of a life of fishing and golf for 35 or more years.

Far from being homogeneous, the military personnel system differs considerably between officers and enlisted in accession method, contract conditions and separation. Enlisted personnel accrue service through a series of voluntary enlistments. They can be terminated by the government or individual option at any reenlistment point prior to 20 years of service with no severance pay. Once they pass the 20-year point and elect to serve no longer, retirement becomes a right.

Officers, on the other hand, serve at the pleasure of the service. They may voluntarily resign with no benefits. If they do not make it to retirement eligibility at 20 years of service and are involuntarily separated, there is severance pay. Present law also limits their years of service depending on grade. They may, however, be *permitted* to retire before their mandatory date by the service secretary. Past failures to exercise this authority by service secretaries has made the privilege of early retirement a perceived right. With the exception of those few mandatorily retired, individual convenience—not the service’s need—has appeared to determine when each will retire.

The Defense Manpower Commission recognized the difference between enlisted and officer service obligations and recommended an indefinite term of enlistment for career enlisted as well as for officers. Rather than change the enlistment structure, with all that this would entail, it seems a retirement system which recognizes the difference in service “contracts,” particularly whether retirement is voluntary or involuntary, should be considered.