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THE FUTURE OF THE ARMY NATIONAL
GUARD IN AN ALL-VOLUNTEER ENVIRONMENT

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THE FUTURE OF THE ARMY NATIONAL GUARD
IN AN ALL-VOLUNTEER ENVIRONMENT

by

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SUMMARY

This essay examines the potential for maintaining a viable Army National Guard in an all-volunteer environment. It reviews National Guard recruiting and retention achievements since World War I, and analyzes major Guard strengths and weaknesses in manpower procurement. A comprehensive program for transitioning the Army National Guard into a zero draft environment is proposed, ~~by this essay.~~ This program includes recommended incentives and actions which are keyed to a projected calendar of events and conditions which impact on this transition. It discusses major considerations effecting the readiness of the Guard for deployment, and concludes that a viable and ready Army National Guard can be sustained in an all-volunteer environment at a cost effective price to the nation.

THE FUTURE OF THE ARMY NATIONAL GUARD
IN AN ALL VOLUNTEER ENVIRONMENT

THE DECISION IS MADE

The decision had been a long time in the making, and it had engendered a great national debate. In the end, it was the Army Chief of Staff who officially announced the decision for the Army "---the Army is committed to an all-out effort in working toward a zero draft -- a volunteer force."¹

General Westmoreland made the announcement concerning the Army's all-out effort to achieve an all-volunteer force in an address before the Association of the United States Army meeting in Washington, D.C., on 13 October 1970. In this address he underscored the Army's need for the full support of the Congress and the nation's citizens in achieving this goal. For the General's immediate audience, these points were particularly pertinent since the Association had raised them earlier in a white paper which argued against the All-Volunteer Armed Force by saying,

First and foremost, is the very basic question will the All-Volunteer scheme work? We don't think so -- for several reasons. First, there is nothing in our history to suggest that Congress will consistently appropriate the very sizeable

¹Address by General W.C. Westmoreland, Army Chief of Staff, before the Association of the US Army, Washington, D.C., 13 October 1970.

expenditures that will be required to do all things necessary to attract volunteers in the numbers needed. Secondly, it just isn't realistic to expect that the expanding manpower requirements of the Reserve Forces could ever be met solely on a volunteer basis. We can't afford Reserve Forces units manned at less than 75 to 80%.²

Thus it became General Westmoreland's duty to lead the Army in a crucial undertaking which promised from the onset to be extremely difficult, perhaps impossible to accomplish. The General did not comment on the notable lack of enthusiasm for an all-volunteer Army within the higher echelons of the Army itself, except to say that he was aware of arguments both for and against selective service.

Even within the Army National Guard, the one Component of the Army which had always credited itself with being an all-volunteer force, the reaction to the all-volunteer concept had been largely negative. Speaking for the National Guard Association of the United States, its President, Major General James F. Cantwell, had delivered a written statement to the President's Commission on an All-Volunteer Armed Force which summarized in part,

We are strongly opposed to adoption of an all-volunteer system of providing manpower for the nations armed forces. We see in the all-volunteer concept many features that would be disadvantageous

² Association of the United States Army, White Paper on "Protecting the Free Society," undated, pp. 2.

and contrary to the long-range national interest. Conversely, we perceive few advantageous or positive features.³

While the National Guard might oppose in principle the all-volunteer concept for supplying the nations military manpower requirements, it could still endorse this concept as an alternative to the draft for a nation growing increasingly unhappy with conscription. This difference explains why General Cantwell had expressed the National Guard Association's opposition to the all-volunteer concept before the Presidential Commission, while the Chief of the National Guard Bureau, Major General Winston P. Wilson, had earlier told the same commission that,

The National Guard has historically met its peacetime prescribed force levels, and that given the same incentives as the Active Services, the National Guard can and will meet its prescribed force levels in an all-volunteer environment.⁴

General Wilson was convinced early in 1969 that President Nixon fully intended to wind down the war in Vietnam. He foresaw that as our military commitments in Vietnam were reduced, and as draft reforms were instituted, draft pressure would be reduced to a point where it would no longer sustain the Guard. Under these circumstances, an all-volunteer concept which included at least

³Major General James F. Cantwell, President National Guard Assoc. US, "Statement of Position on the All-Volunteer Force Concept," 25 November 1969.

⁴Statement by Major General Winston P. Wilson before the Gates Commission, Washington, D.C., 6 September 1969.

some of the additional incentives required by the Guard in a no-draft environment looked better to General Wilson than did continued reliance on a dwindling draft.

Subsequent events were to reinforce General Wilson's viewpoint. On 23 April 1970, President Nixon announced his decision to move immediately to end the draft by reducing draft calls toward zero. On 4 May 1970, the Secretary of Defense circulated a draft report of the Department of Defense Project Volunteer Committee which he heralded as, "A comprehensive action program for moving toward a volunteer force and ending the draft."⁵ Unfortunately, those portions of the report dealing with the National Guard and Reserve Forces failed to measure up to Secretary Laird's appraisal.

The report failed to take a decisive stand on any of the several major incentives which had been recommended by the Military Services for the Guard and Reserves, and it acknowledged its own failure to provide an action program by concluding, "We must plan for the probable contingency that the draft may be needed to meet residual reserve manpower requirements (for the Guard and Reserves)."⁶ This conclusion convinced many Guardsmen and Reservists that they were being propelled into a no-draft environment without a sustaining program.

⁵Melvin R. Laird, Secretary of Defense, Memorandum for the Secretaries of the Military Departments, 4 May 1970.

⁶Draft report of Project Volunteer, 29 April 1970, pp 25.

THE GUARD'S HISTORIC RECRUITING CAPABILITIES

A review of the National Guard's historic recruiting capabilities is helpful for those leaders, both Active Army and Guardsmen alike, who will bear the responsibilities for moving the Army National Guard into an all-volunteer environment. Most Active Army officers have little knowledge about the Guard since they have little need to know about the Guard and few opportunities to learn about it. Even among Guardsmen themselves, little first hand experience in recruiting volunteers remains since the National Guard has been largely draft supported for more than twenty years.

Historically the National Guard has demonstrated an unsurpassed capability for meeting prescribed peacetime force levels. This capability has resulted from a continuing interest in things patriotic and military on the part of a sufficient percentage of young male Americans, from special pressures generated by national and local conditions, and from the National Guard's strong community ties nurtured by units in virtually every locality in the country.

Finding representative periods of National Guard recruiting achievements has been made difficult by the fact that since 1914, wars, depressions, and the draft have tended to exert strong influences on Guard recruiting patterns. Twice since 1914, however,

National Guard recruiting efforts have been relatively free from such special influences. These two periods centered in 1924 and 1950.

Case #1, 1924. Following World War I, it was necessary to rebuild the National Guard from zero strength as the result of wartime total mobilization. Despite the antimilitary sentiment which swept the United States subsequent to World War I,⁷ the strength of the Guard rose from zero to 170,000 by 1922. It was the judgment of the Militia Bureau that the strength of the Guard would have risen to about 200,000 by 1924, had not budgetary limitations stopped recruiting at the 175,000 man level.⁸ A graphic analysis of National Guard recruiting during this period is provided in figure 1 on page 7. This chart also shows there was some correlation between National Guard strength and national unemployment. Case #1 indicates that despite antimilitary sentiment in 1924, the National Guard was able to recruit a force equal to 4.16% of the eligible national manpower pool.

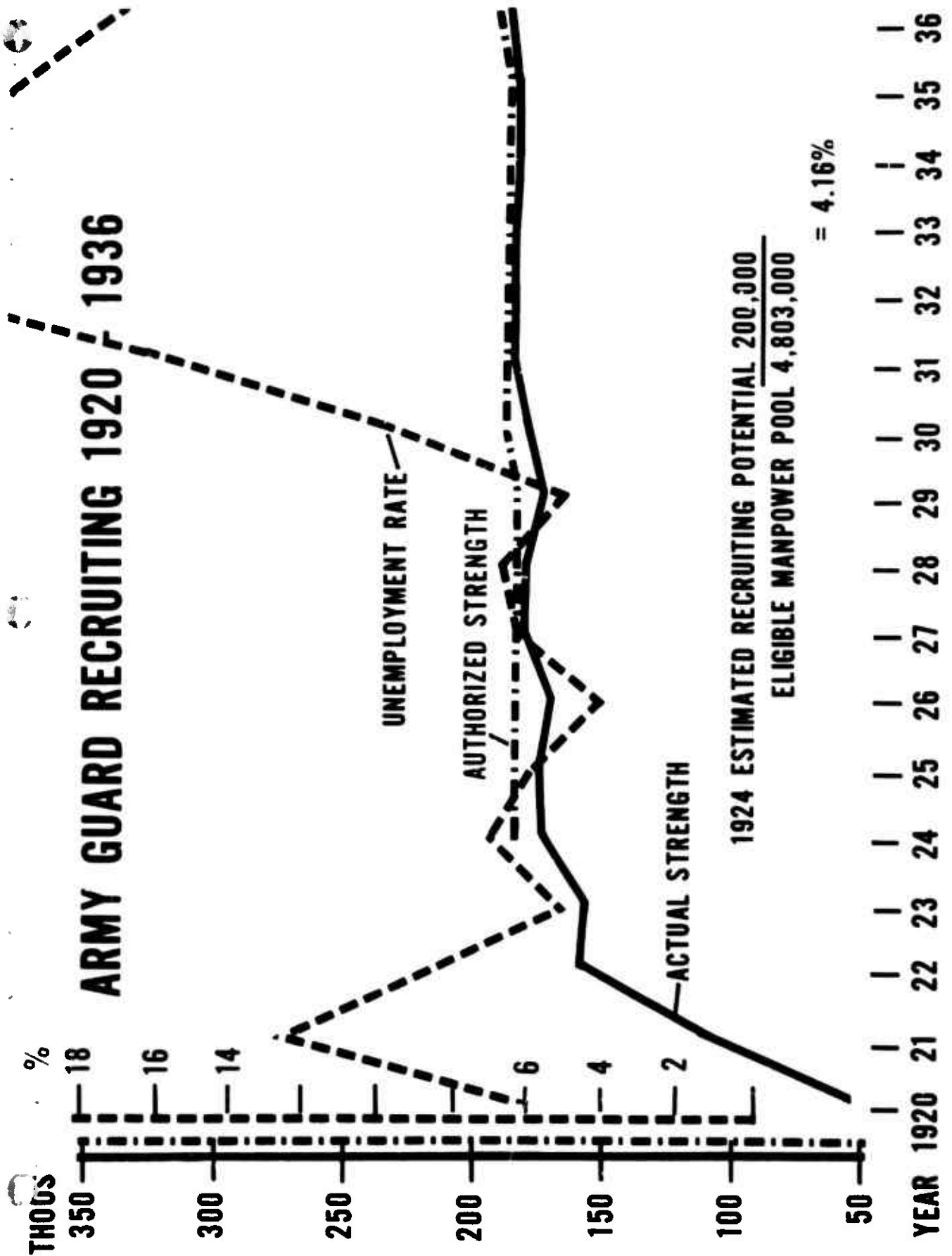
Case #2, 1950. Following World War II it was again necessary to rebuild the National Guard subsequent to total wartime mobilization. With the support of the pro-military sentiment which followed World War II,⁹ the strength of the Army National Guard

⁷Department of the Army PROVIDE Study final report, pp 2-2.

⁸Annual Report of Chief of the Militia Bureau 1925, pp 2 & 51.

⁹Department of the Army PROVIDE Study final report, pp 2-2.

Figure 1



rose very quickly to 290,000 by 1948. An analysis of figure 2 on page 9, as well as a study of National Guard Bureau reports for this period, indicates that the Army National Guard strength would probably have leveled off at about 330,000 in 1950 had not hostilities broken out in Korea in June of this same year.

Case #2 documents that in 1950 the Army National Guard was able to recruit and maintain a force equal to 5.89% of the eligible national manpower pool. This achievement is even greater than it appears since in 1950 a much higher percentage of the eligible manpower pool was serving in the Active Services, the Air National Guard, and the other Reserve Components than had been the case in 1924.

These two cases of 1924 and 1950 indicate a historic Army National Guard capability for recruiting and maintaining a force ranging between 4 and 6% of the eligible national manpower pool in a zero-draft environment. This range of capability is occasioned by differing economic conditions and by differing national attitudes toward military service.

A projection of the Guard's historic recruiting capabilities against the Army Guard's current strength requirements and the growing eligible national manpower pool is provided in figure 3 on page 10. This chart shows the size of the Army National Guard which could be maintained by the 5.89% recruiting capability enjoyed by the Guard in 1950; by the 4.16% capability demonstrated

ARMY GUARD RECRUITING 1947-1962

Figure 2

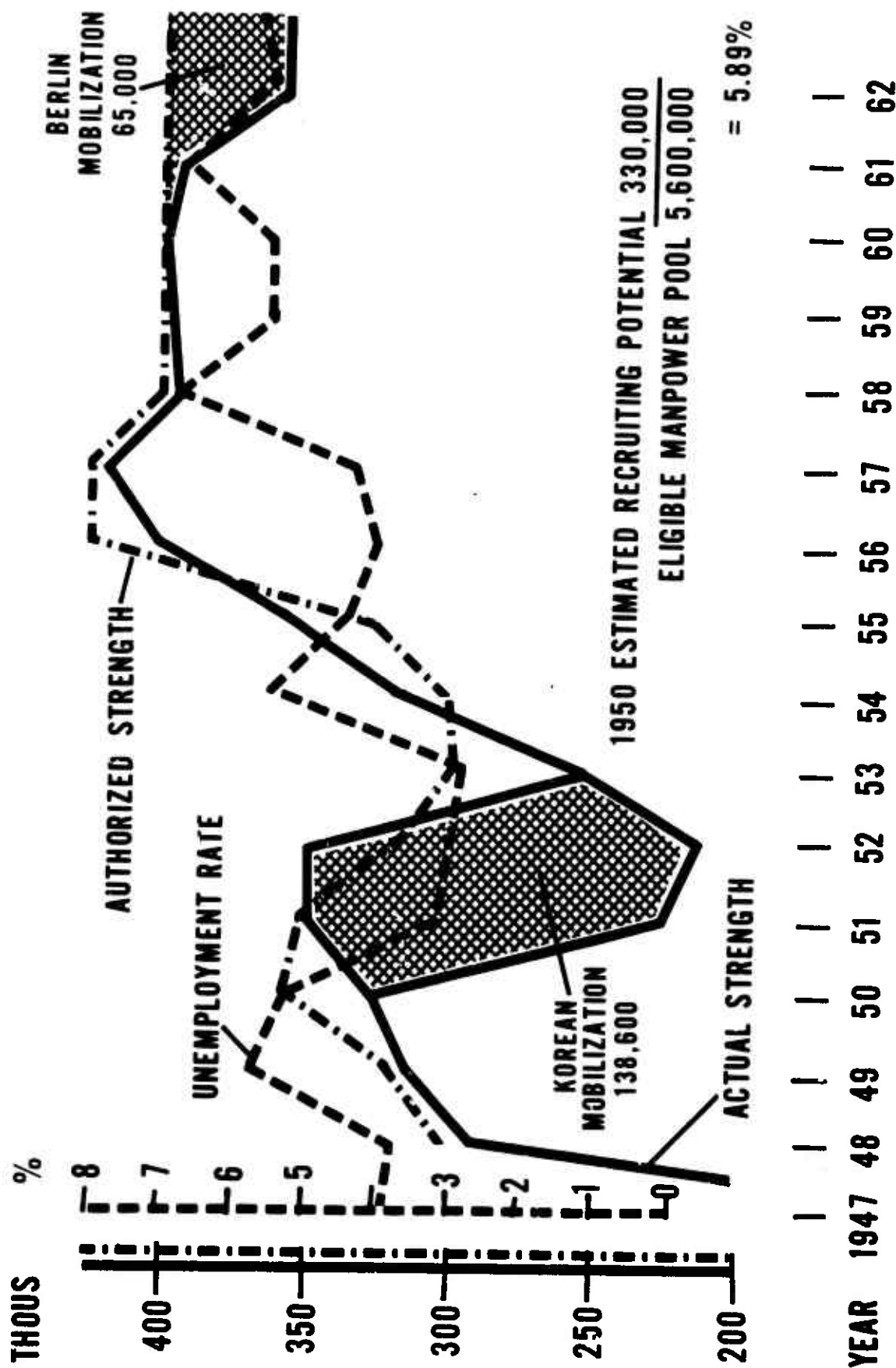
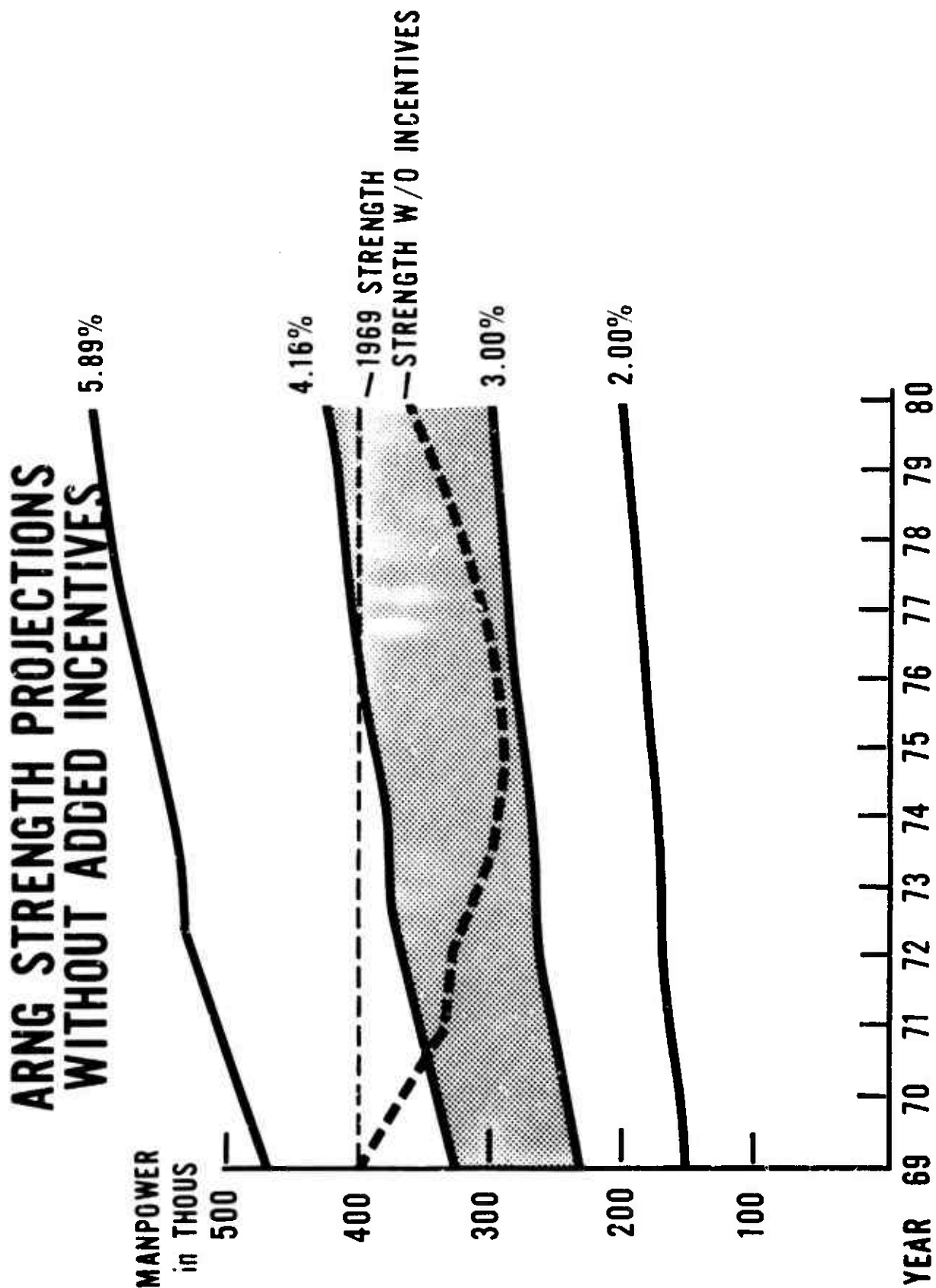


Figure 3



by the Guard in 1924, and by lower levels of 2 and 3% of the eligible national manpower pool.

Also shown in figure 3 is a National Guard Bureau projection of Army National Guard recruiting capabilities in an all-volunteer environment for the period 1969 through 1980.¹⁰ This Bureau projection is based on the assumptions of a zero-draft situation in which the Guard has not been provided additional incentives, and that those Guardsmen serving six year obligated periods of enlistment will be required to complete this obligated period of service. The Bureau's projection shows Army National Guard strength declining for the first six years as obligors reach the end of their obligated terms of service, and then rising slowly as the Guard regains recruiting experience and competence.

This chart illustrates two important points. First, only a small fraction of the eligible national manpower pool is required to maintain the Army National Guard at 400,000 -- something on the order of 4%. Second, the growing eligible national manpower pool will make the attainment of a 400,000 force level at least statistically easier for the Army National Guard in the years ahead.

¹⁰ NGB proposed Chapter 12 to the PROVIDE Study, pp 12-14.

PROGRAMMING THE TRANSITION INTO THE ZERO DRAFT ENVIRONMENT

While much study and debate concerning appropriate incentives for the National Guard and Reserve Forces have been engendered by the all-volunteer concept, less effort has been oriented toward development of a comprehensive program for transitioning the Guard and Reserves into a zero draft environment. It is evident that further debate concerning the relative merits of proposed incentives will be useful only if conducted within the constraints of a comprehensive transitional program which is firmly based on foreseeable conditions and events.

Projection of a timetable of conditions and events pertinent to the all-volunteer concept is now possible. Secretary Laird has provided many of the essential elements of such a timetable in his 12 October memorandum concerning draft calls.¹¹ A five year projection is the minimum necessary to support a transitional program for the Army National Guard. Within the five year period, 1971 through 1975, several factors will exert special influence on this transition. These factors include the draft, the goal of zero draft calls, the Presidential election of 1972, and Department of Defense sponsored legislation effecting the Armed Services.

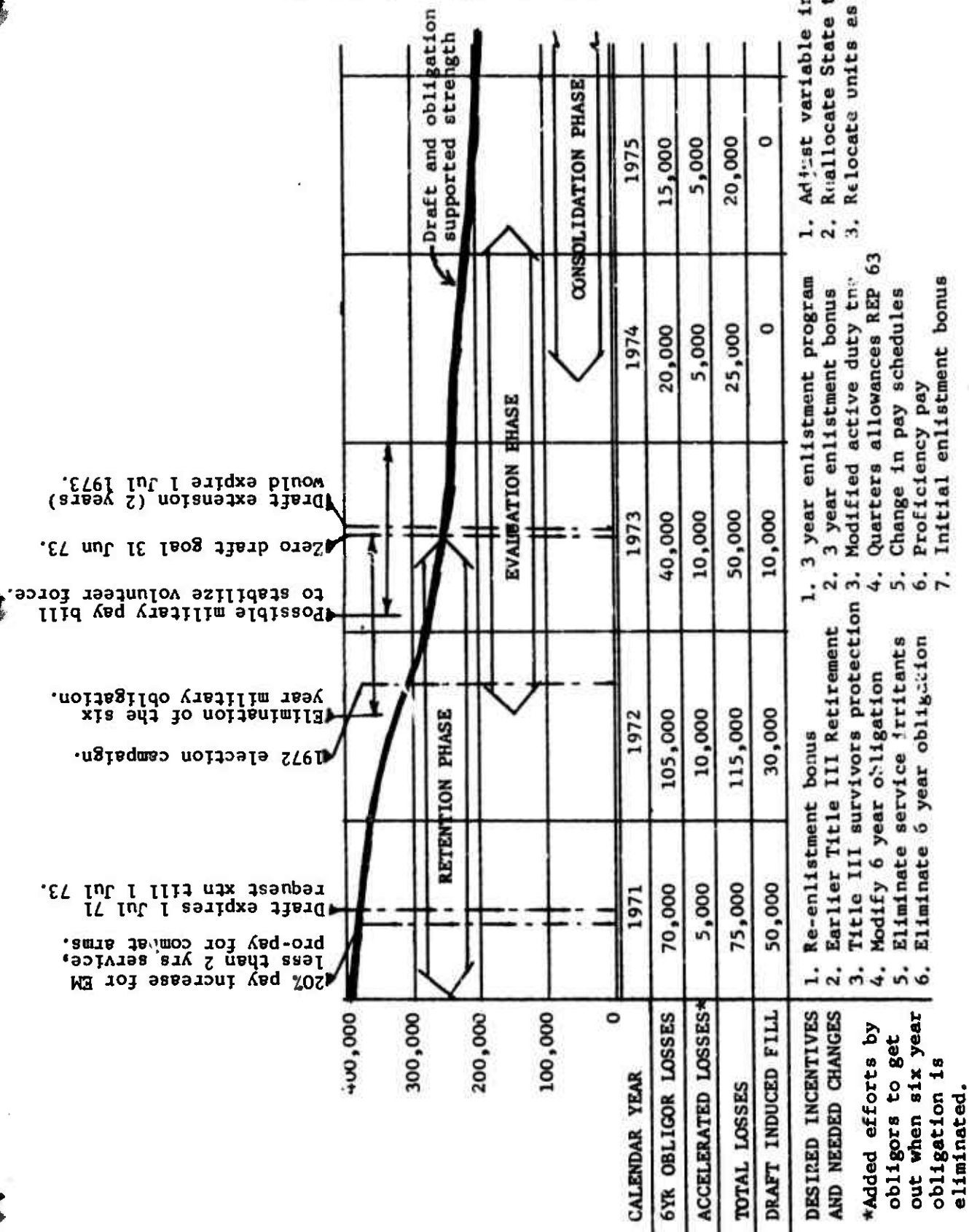
¹¹Melvin R. Laird, Secretary of Defense, memorandum to Secretaries of the Military Departments and Chairman of JCS, 12 Oct 1970.

The draft is the most important factor, and it is scheduled to expire on 1 July 1971. Secretary Laird has indicated that Congress will be asked to extend Selective Service induction authority for at least two years beyond its expiration date. Such an extension would move the draft expiration date to coincide with the Department of Defense goal of achieving zero draft calls by the end of FY 1973. In addition, it may prove desirable from the viewpoint of the administration to reach or be close to the first zero draft call by the time of the 1972 election campaign.

The Department of Defense is also addressing the need for military pay changes. Early Congressional action has been requested to provide a 20% increase in base pay for enlisted personnel with less than two years service to reduce the disparity between military and civilian pay at the entry level. Unfortunately, the full benefits of this pay increase will not be felt by the Active Army until the shooting war in Vietnam is over, or by the Army National Guard until the six year enlistment period is reduced. Should military pay levels fail to produce the desired size all-volunteer force, it is likely that the Department of Defense will propose a new military pay bill, perhaps in 1973. Such a pay bill could be a comprehensive one on the order of the Hubbell military salary plan.

Figure 4 on page 14 consists of a five year timetable of events superimposed on a graph of that portion of Army National Guard strength which is draft and obligation supported. These

Figure 4, MANPOWER PROJECTIONS FOR THE
ARMY NATIONAL GUARD 1971-1975



draft supported strength levels are projected on the basis of declining draft calls, assessments of six years earlier who will be completing their six years of obligated service, and on retention of obligated Guardsmen for the full term of their six year obligation. From a study of the factors presented in this chart, it is possible to divide this five year period of 1971 through 1975 into three distinct phases. For reference purposes these three phases are called the retention phase, the evaluation phase, and the consolidation phase.

THE RETENTION PHASE

The retention phase spans the period from 1 January 1971 until the time when the six year obligation is eliminated for all new enlistees in the National Guard and Reserve Forces. During this phase draft calls will decline below the levels required to motivate sufficient enlistments to maintain the Army National Guard at its mandated strength of 400,000, and the six year obligation will present a severe impediment to the enlistment of non-draft motivated personnel. Opportunities to enlist Active Army separatees will be enhanced by reductions in Active Army force levels which will cause the separation of large numbers of veterans. There will also be a very large number of Army Guardsmen reaching the end of their initial enlistments during this phase because of high assessment rates six years earlier.¹² Unfortunately, these

¹²National Guard Bureau projections for ETS's for 1971-1975.

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high personnel losses will impact on the Army National Guard at the very time when draft calls will be declining toward zero. It is obvious that the Army National Guard should concentrate its manpower procurement efforts during the retention phase on retaining more Guardsmen and on attracting more Active Army separatees.

The most necessary and practical changes needed to support the Army National Guard during the retention phase include:

1. A reenlistment bonus for the National Guard and Reserve forces.
2. An earlier age Title III retirement plan.
3. Survivors protection for Title III retirement.
4. Elimination of unnecessary service irritants.
5. Modification of the six year obligation to exempt those who have passed through random selection and 17 year olds.
6. Final elimination of the six year service obligation for all new enlistees in the National Guard and Reserve forces.

The reenlistment bonus should prove highly effective in assisting the Guard in retaining experienced personnel, and it should also assist in attracting Active Army separatees. The bonus has proven its value through Active Army use, and its costs are directly proportional to its effectiveness. Since it is less expensive to retain trained personnel by means of the bonus than it is to train replacements, the reenlistment bonus may well result in dollar savings. The National Guard Bureau 1970 Survey, based on a proposed bonus of one hundred dollars for a one year

extension or a four hundred dollar bonus for a three year extension, produced a highly favorable response from Guardsmen.¹³ Results of this survey are included as figure 5 on page 18 and indicate that retention rates among Army Guardsmen reaching the end of their six year enlistment can be increased from 9% to 19.6% by means of this modest bonus. It is likely that a much higher reenlistment bonus would prove cost effective in a zero draft environment where initial training costs could range as high as \$3,000 for a three year enlistment.

While no study has been conducted to determine the effectiveness of earlier age Title III retirement in retaining Guardsmen, the 1969 Five Percent Survey of Reserve Components shows this incentive to be very popular with Guard officers and Guardsmen above grade E-6. See figure 6 on page 19. The current fixed age of 60 for Title III retirement does not permit the qualified Guardsman or Reservist the flexibility of taking retirement pay when he needs it most, and it fails to represent an attainable goal for today's youth. The present age 60 retirement is an expensive incentive, but too inflexible to have much value in retaining personnel. By changing Title III retirement so as to permit qualified personnel to take retirement pay on an actuarial basis at the time of their choosing, this incentive could be greatly enhanced with

¹³National Guard Bureau Survey on the Potential Effectiveness of the Reenlistment Bonus, NGB, 1970.

1970 LEADERSHIP RETENTION SURVEY RESULTS FOR CURRENT MEMBERS OF THE NATIONAL GUARD

CHOICES OF CONTROL GROUP (WITHOUT BONUS)	ARNG		ARNG		ARNG		ANG	
	INF. NO.	UNITS %	OTHER NO.	UNITS %	TOTAL NO.	ARNG %	TOTAL NO.	ANG %
1. I PLAN TO EXTEND FOR ONE OR MORE YEARS.	29	7.5%	128	9.5%	157	9.9%	36	10.7%
2. I AM UNDECIDED ABOUT EXTENDING.	61	15.8%	256	18.9%	317	18.2%	69	20.6%
TOTAL WHO MIGHT EXTEND.	90	23.3%	384	28.4%	474	27.2%	105	31.3%
3. I DO NOT PLAN TO EXTEND.	296	76.7%	969	71.6%	1,265	72.8%	230	68.7%
TOTALS:	386	100.0%	1,353	100.0%	1,739	100.0%	335	100.0%

FIGURE 5

CHOICES OF TEST GROUP (WITH THE BONUS)

1. FOR \$400 I WILL EXTEND FOR THREE YEARS.	43	11.2%	158	11.7%	201	11.6%	56	17.3%
2. FOR \$100 I WILL EXTEND FOR ONE YEAR.	31	8.1%	107	7.9%	138	8.0%	26	8.0%
TOTAL WHO WILL EXTEND WITH A BONUS.	74	19.3%	265	19.6%	339	19.6%	82	25.3%
3. WITH A BONUS, I AM STILL UNDECIDED.	57	14.8%	218	16.2%	275	15.9%	59	18.3%
TOTAL WHO MIGHT EXTEND.	131	34.1%	483	35.8%	614	35.5%	141	43.6%
4. WITH A BONUS, I DO NOT PLAN TO EXTEND.	253	65.9%	863	64.2%	1,116	64.5%	182	56.4%
TOTALS:	384	100.0%	1,346	100.0%	1,730	100.0%	323	100.0%

Figure 6

FIVE PERCENT SURVEY OF ARNG PERSONNEL (JAN 69)

INCENTIVES	D-6-7-8	D-4-5	D-1-2-3	E-7-8-9	E-4-5-6	E-1-2-3
MDST FAVDRABLE ASPECT OF SERVICE WITH THE ARMY NATIONAL GUARD						
MEMBERSHIP & TRAINING	20.1	17.7	24.1	15.5	13.6	13.4
DEFENSE OF THE NATION	41.6	29.3	24.8	28.2	27.7	30.4
PAY	16.4	19.3	26.8	23.9	27.9	21.1
FRIENOSHIPS	5.5	4.5	5.6	2.7	17.4	21.1
PROMDTION	4.5	4.9	6.7	1.6	8.6	10.0
RETIREMENT	11.9	23.6	11.5	27.5	3.7	1.6
GREATEST MDNETARY INCENTIVE TO CONTINUED SERVICE WITH THE ARNG^a						
INCREASED PAY	11.5	9.6	24.7	12.8	31.7	32.2
MEDICAL, PX, INSURANCE	7.2	13.3	12.5	13.7	9.5	8.1
REENLISTMENT BONUS	0.0	0.9	2.2	15.3	10.9	4.6
INCREASED RETIREMENT	53.8 ^b	50.2 ^b	26.6 ^b	41.6 ^b	5.8 ^b	2.4 ^b

^a AN EDUCATIONAL INCENTIVE WAS NOT INCLUDED AMONG THE SURVEY QUESTIONS.

^b COLUMNS DO NOT ADD TO 100% SINCE NON-MONETARY ITEMS ARE NOT INCLUDED ON THIS CHART.

little or no additional cost. Under this proposed change, commissary, post exchange, and medical benefits would still be withheld until age 60 to avoid cost increases and further requirements on these already overburdened services.

Currently when a Guardsman or Reservist dies with 20 or more qualifying years of service for Title III retirement, but prior to reaching age 60, his survivors cannot receive retirement benefits to which they would have been entitled had he lived until age 60. This is a serious inequity which should be corrected even if Title III retirement is changed to permit qualified personnel to select the age at which they desire to start drawing retirement pay. Such survivor's protection would strengthen Title III retirement as an incentive as well as protect the interests of survivors.

During the retention phase, the Army National Guard should parallel Active Army efforts to eliminate unnecessary service irritants, and should seek to enhance service in the Guard through greater recognition of individual desires and contributions and by pressing for improvements such as replacing quarterly drill pay with monthly drill pay.

Since the six year service obligation currently incurred by volunteers and draftees alike through service in either the Active or Reserve Components is basically incompatible with the all-volunteer concept, it must be eliminated at least by the expiration

of the draft. For the Army National Guard, elimination of the six year obligation would ideally occur at that point in time when declining draft motivated six year enlistments would be balanced by an increasing number of enlistments which are expected to result from a more attractive three year enlistment program. However, the unpredictability of three year enlistments will probably insure that the six year obligation will be continued at least until enlistments in the Guard and Reserves drop and stay at a low level for an extended period. Requiring all personnel who have already incurred this obligation to serve for a full six years is vital to the Reserve Components. To do otherwise would open the door to losing in excess of 75% of all personnel in the Reserve Components at the same time.

There is, however, a means for selectively exempting some personnel from the six year obligation to assist the Active and Reserve Components in maintaining their strength, and at the same time to test the attractiveness of service in the Guard under conditions approaching those of a zero draft. This means would be to exempt from the six year obligation those men who have already passed through their year of maximum vulnerability under random selection together with those who are 17 years of age, and to encourage them to join both Active and Reserve Components through more attractive short term enlistments. Justification of this action is based on the fact that these two categories of personnel will not be drafted if zero draft calls are achieved in accordance with Secretary Laird's schedule.

There are many more incentives which might further enhance retention in the Army National Guard. Should additional retention type incentives prove necessary, they can be added. However, it is important that all new incentives be tested carefully and wherever possible under conditions which isolate them from the effects of other incentives. It is essential to this testing procedure that adequate data be gathered both before and during the test to permit full determination of the new incentive's effectiveness. Based upon such testing, incentives should be retained, strengthened, or eliminated. This testing process should also determine the need for additional incentives.

THE EVALUATION PHASE

The evaluation phase spans the period from elimination of the six year obligation until that time when the attitude of youth toward service in the Guard has been adequately determined, when the effectiveness of new incentives has been evaluated through testing, and when overall manpower trends in the Army National Guard have become apparent.

The evaluation phase will be characterized by greatly increased personnel turnover resulting from the elimination of the six year obligation. Retention of Guardsmen will continue to be a key factor in stabilizing the force, but the numbers of Guardsmen reaching the end of their term of enlistments during this phase will be far less than the numbers experienced during the retention

phase. This situation will result from the smaller number of assessments six years earlier, and from the effects of longer term enlistments under the reenlistment bonus. The number of Active Army separatees will also decline sharply during this phase since the Active Army will have largely transitioned into a low turnover all-volunteer force by this time. The Army National Guard's ability to maintain prescribed force levels during this phase will increasingly depend on its ability to attract new, non-prior service enlistees. The effort to enlist non-prior service enlistees will be effected by anti-military feelings held by many youths, and by the adequacy of new incentives.

The most necessary and productive changes needed to support the Army National Guard during the evaluation phase include:

1. A three year enlistment program.
2. Adjustment of the reenlistment bonus to reflect the three year enlistment program.
3. Modification of the initial active duty for training program.
4. Quarters allowances and dependent allotments for Guardsmen attending initial active duty training.
5. Pay changes as requested by the Active Services.
6. Proficiency pay.
7. An Initial enlistment bonus.

The elimination of the six year obligation will permit the Army National Guard to offer attractive shorter term enlistments to non-prior service personnel. The traditional three year enlistment suggests itself as a starting point. A term of enlistment shorter

than three years would raise a question of cost effectiveness in view of the current costs of approximately \$3,000 to send an Army Guardsman through initial training. A reenlistment bonus in effect at the time of elimination of the six year obligation will need to be adjusted to the new three year enlistment program within three years to enhance extensions among Guardsmen completing this shorter term of enlistment. While the three year enlistment program is essential to attracting a sufficient number of initial enlistments, it will result in problems of increased personnel turnover together with higher inputs for initial active duty training and associated higher training costs. These problems can become severe unless controlled by the careful adjustment of incentives and training requirements.

The requirement that non-prior service enlistees attend a minimum of four months of initial active duty training ranks with the six year initial enlistment as a major factor which will influence initial Guard enlistments in a zero draft environment. Without the pressure of the draft, most young men will be reluctant or unable to leave their education or employment from four to six months to attend basic and advanced individual training at an Active Army facility. From the standpoint of most new enlistees, the shorter the initial training period the better. The cost of this training may also generate pressures to shorten initial active duty training. If turnover rates were to double as a result of eliminating the six year obligation and retention were not significantly

improved, the Army National Guard would need to enlist an additional 60,000 new men each year to meet prescribed force levels. At \$3,000 per man, it would cost the Army Guard an additional \$180,000,000 to send 60,000 more men to initial training each year. For these reasons it is probable that initial active duty training requirements will have to be modified during the evaluation phase. Since such modifications will impact on the Active Army training base as well as on Guard strength and readiness, careful and early consideration of this complex problem is in order.

Reductions in the length of initial active duty training can be effected by reducing instructional content, by permitting fast learners to proceed at their own pace, and by exempting individuals qualified by civilian training or experience from the advanced individual training portion of initial training. Consideration should also be given to dividing initial training into short phases which can be scheduled during normal school vacation periods. As a last resort, it may become necessary to conduct either the basic or advanced phase of initial training at home stations and during annual training. Any significant reduction in initial training time should be carefully weighed against the loss in individual and unit readiness which it will cause. Every effort should be made to retain at least three months of initial active duty training to insure that the Army Guard can maintain company level training readiness. Wherever possible, initial active duty training must be made more

attractive. Certainly the current inequity which denies quarters allowances and dependent allotments for Guardsmen and Reservists during the first six months of active duty training should be eliminated.

At some point during the evaluation phase it can be expected that the Active Services will have gained sufficient experience to determine the attractiveness of current pay schedules in an all-volunteer environment. Should pay schedules prove inadequate, it is likely that the Department of Defense will have a comprehensive new military pay bill introduced in Congress. Any increase in drill pay which might result from such a bill would assist in attracting additional new enlistees for the Army National Guard.

As recruiting and retention experience accumulates during the evaluation phase, significant difficulties in filling certain units, some of the arms, or specific military occupational specialties may develop. If these difficulties are consistent throughout the Army National Guard, the employment of selective incentives to overcome these special recruiting and retention problems would be warranted on a trial basis. Selective incentives which might prove helpful include a variable reenlistment bonus, a variable enlistment bonus, or a type of proficiency pay such as specialty pay or superior performance pay.

The effectiveness of selective incentives has been questioned, however, even for the Active Services where migration of personnel between skills and units is not limited by the geographical

considerations inherent in the Reserve Components. Moreover, what information is available indicates that for the Army National Guard greater variances can be expected to develop in recruiting and retention achievements as the result of localized influences than variances which will result from differences in types of units or specific military skills. The results of the National Guard Bureau Reenlistment Bonus Survey in figure 5 on page 18 suggest a difference of 2% between retention rates for infantry units and other Army Guard units. This difference drops to 0.3% with the application of the bonus. This same study indicates differences in projected State or geographical retention rates running as high as 10.5%.¹⁴

Any need for relocation of units should first evidence itself during the evaluation phase. However, because of the many variables involved, the great cost of providing alternate armories, and the impossibility of moving skilled personnel long distances, relocation of units should not be undertaken during the evaluation phase except for special cases which can be completely justified on the basis of long experience.

While a number of additional incentives have been proposed as appropriate for enhancing initial enlistments in the Guard and Reserves in an all-volunteer environment, to embark on a proliferation

¹⁴National Guard Bureau Survey on the Potential Effectiveness of the Reenlistment Bonus, NGB, 1970, Table 6 on page 9.

of incentives and fringe benefits could prove both ineffective and costly. The Office of the Secretary of Defense Study Group on Military Compensation (the Hubbell Study) observed that,

Much of the service member's total compensation is in the form of allowances and fringe benefits, and that over the years a number of inequities and disparities have entered into military compensation. Consequently, there is considerable dissatisfaction among military personnel resulting from an inability to compare with what might be earned elsewhere in the economy.

The attractiveness of the education incentive requires an explanation as to why it has not been advocated. The explanation is simply that the very considerable advantages of the education bonus are offset by its equally considerable disadvantages. While education is generally considered advantageous to both the nation and the individual, the education bonus is also the most costly and most difficult of all the proposed incentives to administer. It tends to increase turnover by raising the expectations of its recipients and because of the time limits placed on its application. The advantages of a cash benefit over an education benefit are apparent. Cash permits a man to buy the car he needs to seek and commute to employment, to repair the roof over his family's head, as well as to educate not only himself but his children. Cash provides all of these benefits without the many administrative headaches of the education bonus.

Special educational incentives could, however, be combined with Army National Guard officer candidate programs with the

mutually reinforcing benefits of insuring college educations for Guard officers and challenging Guard assignments for college graduates. Should the Army face serious challenge to its ROTC program by growing unacceptability of uniforms, weapons, and military training on campus, it could turn to the Army National Guard College Commission Program as a superior means of providing off campus military and officer candidate training.

As a final motivator to insure that desired force levels are met in an all-volunteer environment, one final and highly effective incentive is required. The super incentive which seems to most nearly meet this requirement is a variable initial enlistment bonus. The enlistment bonus has been proposed by a Rand study entitled, "The Budget Cost of a Volunteer Military," and by several sources within the Military Services. The Rand study argues the case for the initial enlistment bonus and reenforces the Hubbell Study's arguments against fringe benefits by saying,

Pay must be perceived before it motivates enlistment, and the enlistee apparently does not perceive, or value, his pay to be as high as his real "total income," which includes base pay, cost of food and housing, and a tax advantage on these items. Apparently he focuses on his base pay (cash) and does not personally perceive, or value, his income in kind and deferred benefits as equal to their DOD accounting cost. An enlistment bonus, paid in full at entry, achieves a maximum economic impact on young men with high subjective discount rates. The bonus is the most cost-effective compensation tool, having these advantages: (1) it exploits the differential between individual time preference and governmental borrowing costs; (2) it achieves wage flexibility without disturbing the necessarily more rigid pay structure; (3) it helps avoid pay

inversion by paying "outside" the system; and
(4) it facilitates pay discrimination among
Services (or among ability or skill groups).¹⁵

Adoption of the enlistment bonus as the final solution to the non-prior service enlistment problem should of course be deferred until such time during the evaluation phase as its need is established beyond any doubt. The primary problems pertaining to the adoption of an enlistment bonus will concern reluctance by the Active Army to provide an enlistment bonus for the Guard and Reserve until such a bonus is provided for the Active Army, and the high cost of such a bonus. Adoption of a variable enlistment bonus will, however, eliminate the need for the reenlistment bonus as well as variable proficiency and skill type incentives. The enlistment and reenlistment bonuses have added value for the Guard and Reserves since they provide an acceptable monetary means for enforcing satisfactory participation in an all-volunteer environment.

THE CONSOLIDATION PHASE

The consolidation phase spans the period from the achievement of the last major incentive required to support the Army National Guard in an all-volunteer environment until such time as the Army Guard is fully transitioned into the zero draft environment as a stabilized organization.

¹⁵Rand Corp, The Budget Cost of a Volunteer Military, Aug 1970, pp 12-15.

The consolidation phase will be characterized by the final adjustment of variable incentives to maximize recruiting and retention capabilities, by the phasing out of the last of the obligors, and by non-prior service enlistments contributing all but a handful of the new assessments to the Guard. During this phase, the Army National Guard will become stabilized at a new strength level and a new level of readiness which will be the end products of the leadership available, the incentives provided, the training afforded, and the interest of American youth in things military and patriotic.

The most necessary changes which will be required by the Army National Guard during the consolidation phase include:

1. Final adjustments to variable type incentives to maximize their effectiveness and to achieve the desired balance between recruitment of non-prior service personnel and retention.
2. Adjustments in the allocation of troop strength among the States as required.
3. Relocation of units among the communities as required.

Should the Guard and Reserves be provided with effective retention type incentives, it will then be necessary to carefully supervise the resulting retention to preclude stagnation of promotions and an aging force. Tools such as mandatory retirement ages for enlisted personnel as well as officers should prove useful in this regard. The allocation of excess rank, particularly in the middle enlisted grades, may prove necessary to alleviate discontentment over slow promotions which can result from filling a unit

close to full Table of Organization strength under conditions of moderate personnel turnover.

Changing troop allocations among the States and moving units within the States to better recruiting areas are difficult decisions to make on a knowledgeable basis and to enforce. However difficult these decisions are to make and enforce, they must be made and enforced within a reasonable period of time to insure a viable Army National Guard. For twenty years the draft has made the large cities the most plentiful source of manpower for the Guard. Without the draft suburban and rural areas may become increasingly more productive sources of manpower for the Guard. Should such a shift occur, it should evidence itself during the consolidation phase.

THE FEASIBILITY OF ACHIEVING A STRONG GUARD WITHOUT A DRAFT

The feasibility of recruiting and maintaining the Army National Guard at a high level of readiness and at its mandated strength of 400,000 in a zero draft environment can only be determined through the experience of trying. However, it is possible to make three general predictions concerning the effect of zero draft calls on the Guard. The first of such general predictions is that the Army National Guard cannot long survive zero draft calls as an effective military organization under its current mix of high obligations and low incentives. Currently, less than 15% of the non-prior service men joining the Army Guard are in age groups not immediately

vulnerable to random selection.¹⁶ It is obvious that extensive changes must be made. The second general prediction which appears valid in the light of historic Guard recruiting experience and the growing national manpower tool is that if the high obligations of 90% strength units, initial active duty training, six year enlistments, and weekend drills were to be eliminated, the Army National Guard could then meet its prescribed force level. Such changes would essentially return the Guard to its 1924 and 1950 situations under which force levels were attained but at lower levels of readiness. The third general prediction is that given the necessary new incentives and required new legislation, the Army National Guard could recruit and maintain a force of 400,000 and at the same time maintain the high level of readiness it currently enjoys. This prediction is based on comparatively high interest shown in the reenlistment bonus by Guardsmen who admittedly joined the Guard because of draft pressure.

The costs of new incentives required to maintain the Army National Guard at its current level of readiness in an all-volunteer environment do not appear exorbitant. Even should it prove necessary to provide an enlistment bonus to sustain the initial active duty training program, there is evidence from the National Guard Bureau bonus surveys to indicate that a bonus sum of between two and three hundred dollars per year of enlistment and reenlistment

¹⁶ Army National Guard Enlisted Personnel Reporting System, Non-Prior Male Enlistments, Sept 1970.

would stimulate Guard recruiting and retention so as to retain approximately the same rate of new assessments required as experienced under the draft and six year obligation. At the top figure of an average of three hundred dollars per year for each of the 360,000 enlisted Guardsmen, the annual cost of the enlistment bonus would be \$108,000,000. Even with the additional costs of earlier age retirement, survivors benefits, quarters allowances and allotments for initial active duty training, and officer bonuses to eliminate possible pay inversions for junior officer grades, the total added costs of manpower procurement for the Army National Guard in a zero draft environment should be less than \$150,000,000 annually. This sum amounts to a 20% increase in the current annual Army National Guard budget, and this estimate may be on the high side.

The National Guard's ability to survive for three hundred years as an all-volunteer force attests to its unique capabilities for recruiting and maintaining a viable force in a no-draft environment. An even more pertinent example of the Guard's ability to create an all-volunteer force is its Nike Hercules program. Under this program the Army Guard has already created a model Modern Volunteer Army force of 6,000 who man half of the nation's continental Nike Hercules batteries around the clock.

These batteries are manned by a mix of volunteers with 67% full time National Guard Technicians and 33% part time Guardsmen. Technicians are permitted to join unions, are not subject to the Uniform Code of Military Justice, all live off post, work a 40 hour

week, and are permitted to resign their employment and to leave their unit at any time they so desire. They do not normally stand reveille, pull KP, or stand roll call formations. They are required to work around the clock shifts and to pull their share of weekend and holiday duty, for which they receive premium pay or compensatory time off. They all wear the uniform, salute, and follow the military customs of the Army. Disciplinary problems are almost nonexistent, and annual turnover is less than 10%.

Under this system, Army Guard Air Defense units have achieved outstanding ratings by both National Guard and Active Army standards. In FY 1970, four of the five batteries nominated for the best battery in the Army Air Defense Command were Army National Guard batteries and one Army Guard Air Defense battalion set the unprecedented record of achieving three perfect short notice annual practice tests. During this same year, not one Army Guard battery failed an annual general inspection, a short notice annual practice test, or a command maintenance material management inspection.

Achievement of a strong Army National Guard in a zero draft environment could be slowed by a lack of timely support. The fact that Active Army problems resulting from elimination of the draft will precede those of the Guard and Reserve has caused some lack of attention to Guard and Reserve needs. The lack of a plan for transitioning the Guard and Reserves into a zero draft environment is one indicator of a lack of urgent concern. The fact that a Congressional proposal for a Reserve reenlistment bonus has

languished within the Department of Defense for months without a reply is another indicator. In what may have been a revealing oversight, Lieutenant General Forsythe in his first press conference as Special Assistant for the Modern Volunteer Army described his duties and responsibilities in a prepared release entirely in terms of Active Army needs. He failed to mention either the Army National Guard or the Army Reserve.¹⁷

THE OPTIMUM LEVEL OF READINESS FOR THE ARMY NATIONAL GUARD

In last analysis, the Army National Guard's availability for prompt mobilization and early deployment determine its Federal value as a Reserve Component of the Army. This is distinct from its usefulness as a State military force which is a unique bonus value among the Reserve Components. Since readiness is the primary reason for maintaining the Army National Guard, the determination of an optimum level of readiness which the Army National Guard should attain in a zero draft environment is essential.

General Wilson, the Chief of the National Guard Bureau, has pointed out that, "The Guard can achieve any level of readiness the Nation is willing to pay for." This statement is fully justified by the Guard's success in the Nike Hercules program. However, the cost of maintaining a Guard Nike Hercules battery at an operational level of readiness is comparable to the costs of maintaining

¹⁷LTG George I. Forsythe, Special Assistant for the Modern Volunteer Army, prepared remarks to Pentagon press representatives, 25 Nov 70.

an Active Army battery at this same level. Since the primary advantage of the Reserve Components is to provide more units for the same cost than would be required to sustain Active units, a lower level of readiness for Reserve Component units must be accepted to achieve these savings.

Unit readiness reports show that with the support of the draft, the Army National Guard has not been able to attain much more than company level readiness with 48 drills and 15 days of annual training. Experiments with additional drills for the Selected Reserve Force (SRF) during the period 1965-1969 did indicate that it is possible to peak up Army Guard units to near battalion level readiness through additional training time. However, most Guard leaders involved in this experiment expressed the opinion that this level of readiness could not be sustained for extended periods of time under the limitations of inactive duty training. With this background, it is probable that in a zero draft environment the highest achievable level of sustained readiness for the Army National Guard is something slightly better than company level training, and company level readiness can only be achieved if initial active duty training is retained.

The key question is, does company level readiness provide sufficient reason for maintaining the Army National Guard in view of the nation's current military posture and requirements? This question can best be answered by a short review of the nation's current military requirements.

Reserve Component mobilization requirements are generally expressed in terms similar to those used in the unclassified briefing of the Office of Reserve Components.

In the past ... we thought of our Reserves in the context of a deliberate general mobilization where ample time was available to mobilize, train, and equip units. A classic example is found in our mobilization for World War II It has become increasingly apparent that in a future conflict of this magnitude, that our Reserves must be prepared to react in far less time.

While the goal of early deployment of Reserve Forces is commendable and should be sought with all reasonable vigor, it must be fully appreciated that most Reserve units will never be ready for immediate deployment while in their inactive duty status. If Reserve units were ready for immediate deployment, there would be no need for Active Components. It should also be recognized that since World War II the United States has engaged in two major wars, and that in both of these conflicts in Korea and in Vietnam Guard and Reserve units were mobilized on a deliberate basis.

There have also been suggestions that the Guard and Reserves were not appropriate for waging a war where rotation of forces was featured such as in Korea and Vietnam. These claims are not valid. Had the Guard and Reserves been mobilized early for Korea and Vietnam, larger initial commitments of Active Forces would have been possible with the knowledge that still larger second and third rotational waves of Guardsmen and Reservists were following. By the time the

Guard and Reserves had served their rotational tours, new Active Force units could have been provided by means of the draft.

It is clear that if Guard and Reserve units are called to active duty promptly at the onset of a "rotational" war, they can greatly enhance a faster and hopefully more decisive buildup. If Guard and Reserve units are called to active duty promptly in the event of a contingency requiring the deployment of most Active units, the Reserve Components can serve effectively as a strategic reserve while at the same time rapidly building toward immediate deployability. Only the concept of deploying Guard and Reserve units into Europe to stem a major Russian ground attack provides a justifiable reason for requiring Reserve Component units which are maintained generally at a higher than company level readiness. Even this justification can be questioned on the basis of doubt that such a Russian offensive can be stemmed by the ground forces alone which are available to NATO. For those who suggest that available NATO ground forces plus the NATO advantage in tactical nuclear weapons would be sufficient to cause the Russians to stop and consider further advances, there is also the argument that any introduction of nuclear weapons will cause the Russians to escalate the struggle into a strategic exchange of nuclear weapons and thereby negate the effects of ground combat in Europe.

The facts appear simple. Considering the reduced strength planned for the Modern Volunteer Army, there will exist an increased need for an Army National Guard and an Army Reserve. In the event

that the Active Army is committed for containment of a small or moderate contingency, the Army Guard and Army Reserve should be called promptly to active duty where company level readiness is initially adequate, and while on active duty these units can then quickly build toward immediate deployment readiness.

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