Since the end of the cold war, the number of enlisted entrants into the military has declined significantly, reflecting the need for a smaller force in the post-drawdown military. Across the Department of Defense (DoD), total accession requirements declined by 33 percent between 1989 and 1998. Despite this dramatic drop, the armed services are still finding it difficult to meet their enlisted recruiting goals. For example, the Army had to reduce its annual 1997 recruiting mission when it became clear that the original mission was unattainable given its resources. In fiscal year (FY) 98, the number of Army accessions fell short of the Army’s annual requirement by over 1 percent, while Navy accessions fell short by over 12 percent.

It is likely that some of these recruiting difficulties reflect relatively recent and possibly temporary changes in the enlisted recruiting environment. For example, the civilian labor market is currently experiencing an expansion. The civilian unemployment rate has declined over the past six years from 7.3 percent in January 1992 to 4.7 percent in January 1998. Like DoD, many civilian employers are having trouble filling vacancies. Other changes include a recent increase in the accession goals that recruiters face, changes in the size of the youth population, changes in relative military pay, and changes in recruiting resources, including advertising budgets and GI Bill benefits. Other research shows that, until recently, these changes could not explain the recruiting difficulties that the services had been experiencing during the 1990s (Asch and Orvis, 1994).

In response to recruiting difficulties, DoD typically uses a traditional set of policies to augment recruiting. These include increasing ad-
vertising, assigning additional personnel to recruiting, raising recruiting incentives, and others. However, as will be discussed below, there are some indications that the current recruiting situation to some extent reflects ongoing and permanent changes in the civilian labor market. These changes suggest that the military will increasingly be competing with civilian post-secondary educational institutions and subsequent skilled civilian employment for high quality youth. Although traditional policies are likely to continue to be effective in expanding enlisted supply, it is worth exploring other policy approaches that directly address this competition and might help combat current and possible future recruiting difficulties. This report focuses on approaches that would make the military more attractive to college-bound youth.

To develop or expand nontraditional policy options to attract college-bound youth into the military, basic information is needed on the college market and the factors that are driving youth interest in college. Also, an understanding of the options that the military currently offers to combine service and college is necessary for determining what new types of options might be developed. Also relevant to the development or expansion of policy options is a list of the issues that would need to be considered before choosing a new program, such as cost and effectiveness. The research presented here seeks to provide some of this information.

COLLEGE TRENDS

Competition in the civilian labor market for more-skilled workers has increased demand for workers with a college education. This rise in demand for more-educated workers and decline in the relative demand for workers with less education have caused an increase in the wages of college graduates relative to high school graduates. The college premium—defined as the percentage difference between the average real wage of a four-year college graduate and a high school graduate—rose from 40 percent in 1979 to 65 percent in 1995.

In response to the dramatic increase in the college premium since the late 1970s, many more high school graduates are enrolling in post-secondary educational institutions. College enrollment rates have risen dramatically since 1980, from 46 percent of youth ages 18–19 in 1980 to 60 percent in 1994. The amount of education indi-
individuals seek to complete has grown as well. Of those who planned to go to school after high school, the percentage of surveyed high quality youth who said they wanted to obtain a graduate degree doubled from 25 percent in FY85 to 50 percent in FY97. Reflecting in part the increased demand for post-secondary education, real college costs have also risen dramatically in recent years. Average real tuition costs and fees rose by roughly 50 percent between 1985 and 1995. The increase was large for both two-year and four-year institutions and for private as well as public institutions.

MILITARY OPPORTUNITIES TO COMBINE COLLEGE AND SERVICE

During the draft and the early years of the All-Volunteer Force, the enlisted force was viewed as relatively unskilled. The primary civilian opportunities for enlisted individuals consisted of working in unskilled or semi-skilled occupations that did not require much post-secondary education. As the military has raised the quality of its recruits over the last decade and as more civilian youth are choosing to attend college, the alternatives available to potential recruits have changed. Increasingly, the civilian opportunities for enlisted individuals include post-secondary education and employment in skill-intensive occupations.

The military offers a myriad of opportunities to combine college and military service so that a high quality youth not only faces the decision of whether to join service, but also whether to attend a post-secondary educational institution before, during, or after an active tour of duty. The numerous options can be characterized as five basic tracks for combining active duty service and post-secondary education:

1. Officer track: The individual first attends a four-year college, and then enters service as an officer.

2. College-enlisted track: The individual first attends college or receives some college credit, and then enters the service as an enlistee.

3. Enlisted-college track: The individual enters the service as a high school graduate, completes a service obligation, leaves the service,
and then attends college as a veteran or, in some cases, as a member of a reserve or guard component.

4. Enlisted-officer track: The individual enters as an enlisted member. During his or her enlisted career, the member leaves the service temporarily to attend a four-year college. Upon receiving a degree, the member returns to serve as an officer.

5. Concurrent track: The individual obtains college credits while in the service, i.e., post-secondary education and service are simultaneous.

Each track consists of a multitude of programs, and the level of benefits associated with each program as well as the design of the various programs have changed over time. Nonetheless, the basic structure of these tracks, with the exception of the college-enlisted track, has remained unchanged since 1980 or even longer in some cases.

The first and fourth tracks—those related to becoming an officer—serve relatively few service members. For example, only some 17,000 individuals became an officer in FY96, accounting for 8 percent of all accessions into the military. The college-enlisted track (track 2) is also quite small. In FY96, only 3 percent of non-prior-service enlistees entered the military with some college education. A key message of this report is that the services should consider greatly expanding this track—by increasing the budgets of current programs and developing new programs as a means of attracting college-bound youth into the military.

The two largest tracks are the enlisted-college track and the concurrent track. The primary program by which individuals enter the military and then attend college after their enlistment—the Montgomery GI Bill (MGIB)—enrolled some 136,000 individuals in FY96, representing 94 percent of all enlistments. That is, nearly all enlistees elect to participate in this college benefit program. The concurrent track is also large. Enrollments in Voluntary Education Programs, the primary way by which individuals can attend a post-secondary educational institution while serving on active duty, were approximately 673,000 in FY96. Although a large number of service members participate in this track, available data suggest that, with the exception of those in the Air Force, relatively few individuals use it to
obtain a B.A. degree, and relatively few complete even some college within their first eight years of service. We find that of those who stay until their mid-career, less than 1 percent obtain a B.A. degree and only 8 percent have some college by eight years of service (YOS). By YOS 12, about 2 percent have a B.A. degree whereas 39 percent have some college.

Of the two largest tracks, the enlisted-college (MGIB) track provides the greatest increment to education for the most individuals. Comparing the educational attainment in 1996 of 30-year-old veterans who left the military and are in the civilian sector with 30-year-old personnel who are still in the military shows that about 90 percent of the veterans had attained some post-secondary education while only 49 percent of the 30-year-old military personnel had. In other words, the most important way to combine military service with college requires that service members leave the military. The fact that most MGIB participants obtain their education after separating implies that the military does not reap an active duty return on the most important college program that it offers. The return would come in the form of having more-educated and presumably more-productive active duty service members.

POLICY OPTIONS

Given the challenges of the current recruiting environment outlined above, considering nontraditional policy options seems warranted. Many factors would need to be evaluated before implementing new programs or expanding existing programs for combining military service and college: the effectiveness of the policy relative to other policies, the specific returns to the individual and to the military, costs, the effect of the policy on the age distribution of the force, and the operational and social distinctions between college-educated officers and college-educated enlistees.

One type of policy would expand the college-enlisted path by targeting the enlistment of more youth with some college. For example, recruiters could target the enlistment of individuals on two-year college campuses to a far greater extent or target the enlistment of dropouts from two-year and four-year post-secondary educational programs. Another way to expand the college-enlisted path is to offer a college-first option to high school youth. For example, re-
Recruiters could offer high school seniors an entirely new option that would allow them to attend a two-year or four-year college first (paid for by the military) and then enlist on active duty for a term of service. A variant of this alternative would be to induce the individual to serve in a reserve component while in college and then enter an active component when he or she completed college. Regardless of how the program was structured, enlistees who enter active duty with post-secondary education would have to be paid more when they entered, given the college premium that they could earn if they entered the civilian sector instead.

Another alternative policy could be an enlisted-college-enlisted path, which would represent a sixth way to combine college and military service. Just as the current enlisted-officer track funnels enlistees through college and into the officer ranks, this track would funnel college-educated enlisted veterans back into enlisted service. For example, individuals who use the MGIB after a first term of service could return at a higher pay grade for a second enlistment term. This policy could operate as either an enlistment or reenlistment incentive or both.

The exact structure of these alternative paths or alternative ways of expanding the existing college-enlist path, their feasibility, cost, and their effectiveness requires further study. Just as the Army College Fund was born out of a national experiment that allowed research on the cost-effectiveness of alternatively designed educational benefit programs, we recommend that a national experiment be conducted to examine the cost-effectiveness of alternatively designed paths such as the college-first path.