

UNIVERZITA KARLOVA V PRAZE

FAKULTA SOCIÁLNÍCH VĚD

Institut Mezinárodních studií

Katedra Amerických studií

Marek Aldorf

**The United States Military: The Most
Patriotic Social Welfare Program?**

Diplomová práce

Praha 2013

Autor práce: Marek Aldorf

Vedoucí práce: Doc. PhDr. Francis D. Raška, PhD.

Oponent práce: PhDr. Jan Bečka, Ph. D.

Datum obhajoby: 2013

Hodnocení:

Bibliografický záznam

ALDORF, Marek. *The U.S. Military: The Most Patriotic Social Welfare Program?* . Praha: Karlova univerzita, Fakulta Sociálních věd, Katedra Amerických studií, 2013. 88 s. Vedoucí diplomové práce Doc. PhDr. Francis D. Raška, PhD.

Anotace

Americkou sociální politiku, jež se po desetiletích pod kontrolou neoliberalního paternalismu stala vysoce selektivní a neefektivní, je nutné změnit. Modelové řešení bylo nalezeno přímo ve Spojených státech, a to v jedné z federálních institucí – armádě. Ta se za posledního půlstoletí proměnila z pouhého nástroje na obranu na komplexní instituci, v rámci níž funguje téměř dokonalý sociální systém, který by mohl sloužit právě jako předloha sociálnímu systému na celonárodní úrovni. Tento systém nebyl založen na pouhém altruismu, ale na strategické snaze vybudovat co nejstabilnější a nejefektivnější vojenskou sílu. Jako následek tak vznikla univerzální zdravotní péče, bezplatný přístup k vyššímu školství, systém sociálního zabezpečení pro veterány a další. To napomohlo tomu, že lidé spojení s armádou mají obecně vyšší vzdělání, míru zaměstnanosti i kvalitu rodinného života než zbylá americká společnost. To vše zapříčinilo, že armáda začala být využívána jako sociální program. Avšak i když je služba v armádě často brána jako práce pro nižší socio-ekonomické skupiny, které skutečně mají největší motivaci do armády vstoupit, začala být v posledních letech vyhledávána americkou střední třídou, která díky strukturálním problémům nejen v americkém sociálním systému začala hledat alternativní cesty jak si dopomoci ke zlepšení, nebo alespoň udržení, svého socio-ekonomického statusu.

Annotation

American social policy, which has been under the influence of neoliberal paternalism, has become highly selective and inefficient. That needs to be changed. A model solution has been found right in the United States, in one of its federal institutions: the U.S. Military. In the past several decades, it has developed from a simple tool of defense into a complex institution, where an almost perfect social system exists, which could serve as an example for the national system. The military

social system wasn't established purely on altruism, but rather based on a strategic decision to build and sustain the most stable and efficient fighting force. As a consequence, universal health-care emerged, as well as free access to higher education, social-welfare programs for veterans etc. Thus, people within the military community tend to have higher educational attainment, employment rates and quality of family life than the general population in the US. As a result, the military has been increasingly used as a social program. Even though the military service is often thought to be reserved for lower socio-economic classes, American middle class has increasingly sought it out as well. Given the structural problems not only in the national social system, it has been looking for alternative ways to improve, or at least hold on to, its socio-economic status.

Klíčová slova

Spojené státy, USA, armáda, sociální programy, GI Bill, sociální politika, obranný rozpočet, veterán, neoliberalismus, paternalismus

Keywords

United States, USA, military, social welfare, GI Bill, social policy, defense budget, veteran, neoliberalism, paternalism

Počet znaků: 126 000 (162 000 s poznámkami pod čarou)

Prohlášení

1. Prohlašuji, že jsem předkládanou práci zpracoval samostatně a použil jen uvedené prameny a literaturu.
2. Souhlasím s tím, aby práce byla zpřístupněna veřejnosti pro účely výzkumu a studia.

V Praze dne 29.7.2013

Marek Aldorf

Poděkování

Na tomto místě bych rád poděkoval Doc. PhDr. Francisu Raškovi, PhD. za pomoc při psaní této práce.

Teze magisterské diplomní práce

Jméno:

Marek Aldorf

E-mail:

mark.aldorf@gmail.com

Semestr:

letní

Akademický rok:

2011/2012

Obor:

Americká studia

Název práce:

The United States Military: The Most Patriotic Social-Welfare Program?

Předpokládaný termín dokončení (semestr, školní rok):

letní, 2012/2013

Vedoucí diplomního semináře: Doc. PhDr. Miloš Calda**Vedoucí práce:** Doc. PhDr. Francis D. Raška, PhD.**Zdůvodnění výběru tématu práce (10 řádek):**

Spojené státy jsou stále považovány za ekonomickou supervelmoc. Nicméně při bližším pohledu zjistíme, že ekonomický růst a prosperita nejsou ve společnosti sdíleny univerzálně a rovnoměrně. Za posledních několik desetiletí příjmy většiny Američanů stagnovaly, zatímco horní desetina obyvatel zažila mnohonásobný růst. Nedávná ekonomická krize tento trend nadále prohloubila a zároveň poukázala na dlouhodobě se snižující socio-ekonomickou mobilitu. Toho důvodem je fakt, že faktory, které ji ovlivňují – jako například vzdělání – jsou pro stále větší část americké společnosti hůře dostupné z důvodu neustále stoupajících cen. Avšak sociální stát, který by měl těmto problémům čelit, se potýká s řadou nedostatků. Jde především o jeho vysoce selektivní charakter, který rozděluje společnost na ty, kterým je hodno pomoci, a na ty, kteří si příliš pomoci nezaslouží, čímž přispívá k zakonzervování stavu nerovnosti uvnitř Americké společnosti. Tento systém je nutné změnit.

Předpokládaný cíl (10 řádek):

Cílem diplomové práce "The United States Military: The Most Patriotic Social-Welfare Program?" je poskytnout pozitivní vzor pro změnu Amerického sociálního systému. Modelové řešení bylo nalezeno přímo ve Spojených státech, a to v jedné z federálních institucí – armádě. Ta se za posledních několik desetiletí proměnila z pouhého nástroje na obranu na komplexní instituci, v rámci níž funguje téměř dokonalý systém sociálního zabezpečení, který by mohl sloužit právě jako předloha sociálního systému na celonárodní úrovni. V průběhu práce tak bude poukázáno nejen na deficit stávajícího civilního sociálního systému, ale především na hlavní atributy sociálního systému v rámci ozbrojených sil, včetně jeho pozitivních dopadů na jeho recipienty a celkově Americkou společnost. Diplomová práce tedy bude postupně vysvětlovat a obhajovat, proč je příklad Americké armády ideální pro diskuzi o sociálním systému ve Spojených státech.

Základní charakteristika tématu (20 řádek):

Od svého vzniku byl vývoj sociálního státu v USA poměrně turbulentní a oproti svým evropským protějškům si nedával za cíl dosáhnout univerzálnosti pomoci v rámci společnosti. Toho důvodem byla ideologie neoliberálního paternalismu, kladoucí důraz na minimální roli státu a morální zhodnocení případných recipientů pomoci, kterou se sociální politika řídila poslední půlstoletí. Oproti tomu armáda zaváděla svůj sociální systém postupně, bez dramatických změn a v současnosti je možné mluvit o systému univerzálním. Důvodem pro jeho vznik ale nebyl altruismus či pouhá snaha zpříjemnit členům ozbrojených sil a veteránům život, ale snaha zajistit co nejlepší možnou efektivitu všech svých složek po přestupu k profesionální armádě. Bylo tak zavedena univerzální zdravotní péče, bezplatný přístup k vyššímu školství, rekvalifikační programy pro získání práce, podpora v zakládání rodin, systém podpory v nezaměstnanosti či nemoci a dokonce i armádní systém velkoobchodů. Důsledkem těchto programů a politik pak bylo, že lidé spojení se službou v armádě mají oproti zbylé Americké společnosti vyšší úroveň vzdělání, menší procento nezaměstnaných i stabilnější rodinné zázemí. Toto je možné vnímat o to pozitivněji, pokud vezmeme v potaz, že služba v armádě je často brána jako práce pro nižší socio-ekonomické skupiny. Avšak počáteční výzkum odhalil, že i když tyto skupiny mají největší „motivaci“ do armády opravdu vstoupit, jelikož často nemají podporu ve státním sociálním systému, začaly být v posledních letech nahrazovány Americkou střední třídou. Strukturální problémy nejen sociálního systému totiž zapříčinily, že i tato skupina byla donucena hledat alternativy při cestě za socio-ekonomickým vzestupem a útočiště našla právě v sociálním systému ozbrojených sil. Americká armáda tak začala být využívána jako sociální program, který funguje vysoce efektivně a především univerzálně. Mohl by tedy sloužit jako předloha pro reformu jeho civilního protějšku.

Předpokládaná struktura práce (15 řádek):

První kapitola se zaměří na důvody, proč je současná forma sociálního státu ve Spojených Státech nevyhovující, přičemž bude zkoumána zejména role neoliberálního paternalismu. Zároveň budou vysvětleny důvody, proč je Americká armáda ideálním vzorem pro případnou změnu sociálního systému.

Druhá kapitola bude věnována vývoji a současné podobě sociálního systému v rámci ozbrojených sil, přičemž se zaměří na oblast vyššího vzdělání a zdravotního systému, což jsou momentálně velmi diskutovaná témata ve Spojených státech.

Třetí kapitola se bude zabírat dopady sociálního systému Americké armády na jejich recipienty, a to v oblastech vzdělání, zaměstnanosti a rodinného života. Zároveň dojde k porovnání konečných výsledků se situací ve zbylé společnosti, aby plně vynikl přínos tohoto systému.

Čtvrtá kapitola bude naopak zkoumat demografické a socio-ekonomické složení těchto recipientů, přičemž se bude snažit zjistit, jaké faktory toto složení ovlivňují.

Poslední kapitola bude zaměřena na důvody, které zapříčinily, že Americká střední třída se ve stále větších počtech hlásí do ozbrojených sil.

Základní prameny a literatura (20 nejdůležitějších titulů včetně lokace):

Knihy

Howard, Christopher. *Debunking Myths About U.S. Social Policy: The Welfare State Nobody Knows*. Princeton: Princeton University Press, 2008.

Karney, Benjamin, and Crown, John. *Families Under Stress*. Santa Monica: RAND Corporation, 2007.

Mettler, Suzanne. *The Submerged State: How Invisible Government Policies Undermine American Democracy*. Chicago: University of Chicago Press, 2011.

Newman, Katherine. *Chutes and Ladders: navigating the low-wage labor market*. New York: Russell Sage Foundation, 2006.

Novack, Jerry. "Military Dads and Fatherwork." In *Families: Traditional and New Structures*, edited by Paul McCaffrey et al., 80-115. Ipswich, H.W. Wilson, 2013.

Rank, Mark Robert. *One Nation, Underprivileged: Why American Poverty Affects Us All*. Oxford: Oxford University Press, 2004.

Robey, Patricia. *Contemporary issues in couples counseling a choice theory and reality therapy approach*. New York: Routledge, 2012.

Sitrin, Joel, et al. *Valuation of the Military System: September 30, 2011*. Washington DC: Department of Defense, 2013.

Soss, Joe, and Fording, Richard. *Disciplining the Poor*. Chicago: University of Chicago Press, 2011.

Odborné články

Kleykamp, Meredith. "Where did the soldiers go? The effects of military downsizing on college enrollment and employment." *Social Science Research* 39 (2010): 477-490.

MacLeavy, Julie. "Workfare-Warfare: Neoliberalism, "Active" Welfare and the New American Way of War." *Antipode* 41 (2009): 890-915.

Mettler, Suzanne and Welch, Eric. "The Civic Generation: Policy Feedback Effects of the G.I. Bill on Political Involvement over the Life Course." *The British Journal of Political Science* 34 (2004): 497 - 518.

Rickles, Nathaniel, and Amaro, Hortensia. "Perceptions of Healthcare, Health Status, and Discrimination Among African-American Veterans." *Journal of Health Disparities Research and Practice* 4 (2010): 50-68.

Segal, David, and Segal, Mady. "America's Military Population." *Population Bulletin* 59 (2004): 1-40.

Studie

Austin, Andrew. *Trends in Discretionary Spending*. Washington: Congressional Research Service, 2013. Accessed July 5, 2013. <http://www.fas.org/sgp/crs/misc/RL34424.pdf>.

Cowan, Tadlock. *Military Base Closures: Socioeconomic Impacts*. Washington DC: Congressional Research Service, 2012. Accessed April 7, 2013. <http://www.fas.org/sgp/crs/natsec/RS22147.pdf>.

Department of Defense. *Defense Budget Priorities and Choices*. Washington DC: Department of Defense, 2012. Accessed June 18, 2013. http://www.defense.gov/news/Defense_Budget_Priorities.pdf.

Domhoff, William. *Wealth, Income, and Power*. University of California at Santa Cruz. Last updated December 13, 2012. Accessed January 24, 2013. <http://www2.ucsc.edu/whorulesamerica/power/wealth.html>.

Goldberg, Matthew, et al. *Costs of Military Pay and Benefits in the Defense Budget*. Washington: Congressional Budget Office, 2012. Accessed June 4, 2013. http://www.cbo.gov/sites/default/files/cbofiles/attachments/11-14-12-MilitaryComp_0.pdf.

Taylor, Paul et al., *The Military-Civilian Gap: War and Sacrifice in the Post-9/11 Era*. Washington, PewResearchCenter, 2011. Accessed March 13, 2013. <http://www.pewsocialtrends.org/files/2011/10/veterans-report.pdf>.

Taylor, Paul, et al. *The Lost Decade of the Middle Class*. Washington DC: PewResearchCenter, 2012. Accessed June 12, 2013. <http://www.pewsocialtrends.org/files/2012/08/pew-social-trends-lost-decade-of-the-middle-class.pdf>.

Watkins, Shanea, and Sherk, James. *Who Serves in the U.S. Military? The Demographics of Enlisted Troops and Officers*. Washington DC: The Heritage Foundation, 2008. Accessed October 27, 2012. <http://www.heritage.org/static/reportimages/3E59D41279449CAB99F8C7CF54E02351.gif>.

Podpis studenta a datum

Schváleno	Datum	Podpis
Vedoucí diplomního semináře		
Garant oboru		

Table of contents

TABLE OF CONTENTS	11
INTRODUCTION	12
CHAPTER 1 - THE AMERICAN SOCIAL STATE: THE UNFINISHED PATH	16
1.1 NEOLIBERAL PATERNALISM AND DOUBLE STANDARDS POLICIES.....	17
1.2 THE U.S. MILITARY: AN IDEAL CASE-STUDY.....	20
CHAPTER 2 - THE U.S. MILITARY: A SUBMERGED SOCIAL STATE	23
2.1 CONCEPTUALIZATION OF PROFESSIONALIZATION	23
2.2 RISING SOCIAL POLICIES WITHIN THE U.S. MILITARY	24
2.3 DEFENSE BUDGET OF 2012.....	26
2.4 SOCIAL PROGRAMS AND BENEFITS.....	27
2.4.1 <i>Educational programs</i>	28
2.4.2 <i>Health-care</i>	33
2.4.3 <i>Retirement system</i>	37
2.4.4 <i>Family life and commissary system</i>	38
2.4.5 <i>Vocational rehabilitation</i>	40
2.4.6 <i>Financial welfare</i>	42
2.4.7 <i>Indirect help to poor regions</i>	42
CHAPTER 3 - IMPACTS OF THE MILITARY'S SOCIAL SYSTEM	45
3.1 VETERANS AND POST-SERVICE EMPLOYMENT	45
3.2 EDUCATIONAL ATTAINMENT.....	48
3.3 QUALITY OF FAMILY LIFE.....	50
3.4 AWARENESS.....	52
3.5 FUTURE CHANGES AND PROSPECTS	53
CHAPTER 4 - THE MILITARY PROGRAM'S BENEFICIARIES	55
4.1 THE MILITARY USED AS A SOCIAL PROGRAM	55
4.2 BETTER BACKGROUND, LESS LIKELY TO JOIN. OR IS IT?.....	58
4.2.1 <i>Minorities and their approach</i>	58
4.2.2 <i>Initial surge of minorities and drop of benefits</i>	59
4.3 BIGGER BENEFITS AND BETTER APPLICANTS.....	62
CHAPTER 5 - PATRIOTIC MIDDLE CLASS?	66
5.1 RICH "GI JOES".....	66
5.2 THE MIDDLE CLASS IN NEED OF A MOBILITY BOOSTER	68
5.3 EDUCATION	71
5.4 UNIVERSAL HEALTHCARE.....	73
CONCLUSION	76
SHRNUŤÍ	78
BIBLIOGRAPHY	79

Introduction

In modern American history, the United States military has played a crucial role in defending national values and interests. During the second half of the 20th century, military might gave the United States the status of a global superpower, only underpinning its already massive economic strength. But, while the military's power projection capabilities were increasing, the institution itself has moved beyond being a simple fighting machine and developed into a complex organism, with influence beyond national security. Given its enormous size, both in financial and human capital, its needs and policies have had not only economic, but also social impacts on the national level, with the latter being researched only superficially by academics.

In my Master's thesis I offer my theory that the modern U.S. military, trying to fulfill its primary role as a mechanism of national defense and to create and sustain an effective fighting force, has adopted many social programs in order to achieve these goals, and became a sort of social state within the state. Contrary to that, there has been a growing discussion within the United States about the nature of its national social system and whom to include in it. As a result, many people have been falling through this safety net and were incentivized to look for alternative options of getting governmental help - the U.S. military. And, as it turned out, the military can be the right solution - not only as a social program to enroll in, but also as an example to get inspired by.

The development of the social state in the United States did not follow the path of America's European counterparts. While social systems of the latter tend to be very inclusive in their help, the former is highly selective. As the first chapter argues, this is a consequence of neoliberal paternalism, a paradigm that has been ruling over American social policies for several decades. Moreover, it explains why the study of the U.S. military's social policies can be beneficial to the current public discussion about the shape of the American social system. Thus, it is important to demonstrate how the military functions as a social program. The main hypothesis is that with continual professionalization of the military since the 1970s, the scope of the social programs broadened and had positive social and economic impacts on the lives of service members and veterans, thus increasing the notion of being a sort of social

program with a welfare component. In order to prove this, the second chapter provides a descriptive analysis behind the emergence of social policies within the military community, together with an exploration of the current complexity of the military's social system. The third chapter, on the other hand, deals with the proposed positive impacts of the analyzed policies and programs.

The proposed theory suggests that the American armed forces provided shelter for those who felt insecure within the national social system. The fourth chapter examines this very issue, while trying to confirm the second hypothesis - whether the professionalization of the military meant rising entry requirements, and thus decreased inclusion of those "disadvantaged groups" struggling under the civilian social system.

However, the results were quite surprising. The last chapter deals with the recent dramatic shift in the composition of military recruits and provides arguments for the last hypothesis, which states that the deteriorating economic performance of the national economy, combined with the structural deficits of the American social system, actually transformed the U.S. military into a safety net for the middle class.

Methodology

The main time framework of the thesis is set between 1973, when an all-volunteer force was introduced, and 2012, which was set artificially to limit the examined period. Concerning the first hypothesis, initially the operationalization of professionalization is provided by focusing on the rising level of technologies, costs per soldier, decrease in active personnel and the rising level of technologies and entry requirements. Then, a descriptive analysis of the main social policies and programs follows. In order to measure their impact, broader categories of employment attainment, educational attainment and improvement in social (family) life of service members and veterans have been chosen. To ensure precision, data for current veterans are compared with their respective recruiting data, in order to grasp the progress, and then compared with their civilian peers, to see the additional value to the society. The quality of family life is measured by examining marital status and divorce rates.

To prove the second hypothesis, recruitment data (race, education and financial background) are confronted with rising educational entry requirements.¹ To help determine who is losing benefits, analysis of perception of the military and its social programs by veterans is provided. For the third hypothesis, recruitment data (race, education and financial background) will be compared with the performance of the national economy, while focusing on the rising quality of recruits during the last economic downturn. The quality is measured by education and socio-economic status.

Literature overview

Given the character of this thesis, most of the utilized sources are primary data and official documents, in most cases provided by the Department of Defense, the Department of Veteran Affairs, the Bureau of Labor statistics and the Congressional Budget Office. For the description of social policies and programs, official documents and various think-tank analyses were used to support main arguments. For laying down the theory, mostly left-leaning authors and academics have been used, such as Suzanne Mettler (Cornell University), Joe Soss (University of Minnesota) or Julie Macleavy (University of Bristol).

On the other hand, to prove how the middle class increasingly enters military service, mostly right-wing think-tanks have been used, as they "unwillingly" support the third hypothesis. For example, in the analysis "*Who Serves in the U.S. Military? The Demographics of Enlisted Troops and Officers*" by the Heritage Foundation about the socio-economic background of recent military recruits, the main purpose was to show that the military doesn't use people of low socio-economic standing and minorities (respectively are not "exploited" by being forced to fight). But this thesis takes it as the military has been increasingly becoming middle class, thus loosing the welfare potential.

¹ Physical tests are not taken into consideration, as they represent unchanged constant.

Shortcuts

DOD - Department of Defense

DVA - Department of Veteran Affairs

BLS - Bureau of Labor Statistics

VHA - Veteran's Health Administration

TA - Tuition Assistance program

GI BILL - GI Bill of rights (within text, lastly mentioned version)

ADP - active-duty personnel

HSD - high-school diploma

GED - General Educational Development

Chapter 1 - The American social state: the unfinished path

The development of the social system in the United States did not follow the path of its European counterparts, which began to develop their respective systems in the late 19th century. Only the Great Depression in the US provided an incentive to dramatically rethink the relationship between citizens and their government, resulting in the "New Deal" policies of F.D. Roosevelt. Besides major federal infrastructure projects to promote employment, they vastly expanded social policies by creating programs and funds for unemployed citizens, increased spending on education of the poor and created the first major social-insurance system. The Second World War further deepened the government's involvement in social policies, as it needed to increase overall effectiveness through centralization of power and ensure the health of the nation. Subsequently, the government under H. Truman needed to take care of the millions of returning veterans, which resulted in the implementation of the famous GI Bill, which provided unprecedented opportunity for many people to obtain higher education.

Shortly thereafter, the American social landscape changed even more, as the pressure by various civil right movements, combined with the sexual revolution of the 1960s, changed the relationship between genders and races. The Civil Rights and Economic Opportunity Acts of 1964 targeted racial injustice and socio-economic inequality, which was not only to decrease economic plight, but also to mitigate educational deficiencies of racial minorities.² Furthermore, the "War on Poverty" by Lyndon Johnson expanded social programs, mainly by adopting the Social Security Act of 1965, which established well known Medicaid and Medicare.

However, the expansion of the regulatory state, introduction of progressive taxation and expansion of social state was accompanied by enormous state expenditures.³ As a consequence, conservative opposition started to call for a change in existing social policies, which were ruled by the Democratic Party for several

² George Tindall and Richard Shi, *Dějiny Spojených Států Amerických* (Praha: NLN, Nakladatelství Lidové noviny, 2008), 699-702.

³ Joe Soss and Richard Fording, *Disciplining the Poor* (Chicago: University of Chicago Press, 2011), 28.

decades. Moreover, the growing participation of racial minorities in social programs, especially those intended as "welfare" began to be perceived negatively.⁴

1.1 Neoliberal paternalism and double standards policies

In the late 1970s, slowly but steadily, the realm of social policies started to be occupied by a new political paradigm known as neoliberal paternalism - a combination of the classical theory of neoliberalism and the adoption of a conservative Christian approach toward social problems known as paternalism. Together, they constituted a powerful tool that reshaped social-welfare policies for several decades and are still present, even under the Obama administration.

Neoliberalism, known for its strong emphasis on market principles (even in the non-economic sector), became the driving force behind changing the relationship between the state and the individual citizen. "As the state is privatized, so too are the social problems of the citizenry."⁵ In other words, social problems have been perceived as outcomes of personal choices. In neoliberal terms, this meant that citizens were divided into two categories. The "good ones", who acted as rational and self-disciplined actors or entrepreneurs, who through hard work, wise choices and investments became independent from the state and enjoyed the wide liberties. Social programs for those, like Medicare or Social security, became untouchable by government as a reward.⁶ But the approach toward the "bad ones", respectively those eligible for welfare, was quite different. As neoliberalism became tightly connected to social conservatism, the rise of the former led to the spread of paternalism within the realm of social policy, mainly invoking a "father-child" relationship on social welfare policies, making them restrictive, highly selective and prone to underfunding. That was possible because the "non-elderly and non-disabled poor were positioned as the 'low hanging fruit' for reformers - available to be taken out without arousing more powerful constituencies."⁷ Those constituencies were understood to be the members of the middle class, and were fully protected by the social system.

⁴ Christopher Howard, *Debunking Myths About U.S. Social Policy: The Welfare State Nobody Knows* (Princeton: Princeton University Press, 2008), 179.

⁵ Soss and Fording, *Disciplining the Poor*, 22.

⁶ Howard, *Debunking Myths*, 27.

⁷ Soss and Fording, *Disciplining the Poor*, 52.

The practical implementation of the neoliberal paradigm began to show in the early 1980s, especially with the arrival of Ronald Reagan and his administration. The "neoliberalization" of social welfare brought a restructuring of the whole welfare system, especially in the relationship between welfare and work. Respectively, it introduced active welfare measures - reduction of benefits to the unemployed and introduction of new labor market measures, such as more involvement of the private sector in the delivery of state services, more benefits to be dedicated to job training rather than potential direct spending by the recipient, or lowering eligibility criteria to the most possible income minimum.⁸ Moreover, along this process, from the 1970s to 1990s, Americans on average grew more negative and less supportive of welfare, with almost zero support for welfare for minorities.⁹

That was fully reflected in Democratic politics as well, as even the most recognized leader of the Democratic Party - Bill Clinton - did not favor a broad expansion of welfare policies.¹⁰ Under the supervision of his administration and with the help of "*Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)*" of 1996, the government "proceeded through a devolution of federal policies to states and a cutting of welfare rolls."¹¹ Subsequently, the two presidential terms of G.W. Bush followed a similar trend, as his political doctrines were influenced by neoconservative politics, ranging from economic to social issues.

Moreover, under the discourse of neoliberal paternalism, the welfare state was transformed into a tool, which basically decided who is "worth the effort". Those on welfare were perceived as incapable of managing their own affairs properly and lacking discipline, thus in need of stronger moral leadership and tougher social policies from the state, rather than of generous social programs. Not long ago, the former president B. Clinton described the current welfare system in his speech at the

⁸ Julie MacLeavy, "Workfare-Warfare: Neoliberalism, "Active" Welfare and the New American Way of War," *Antipode* 41 (2009): 892.

⁹ Howard, *Debunking Myths*, 118.

¹⁰ In his famous speech during presidential elections in 1992, he promised to "end welfare as we know it", meaning to shift the discourse even deeper into the neoliberal approach. Bill Clinton, "Address Accepting the Presidential Nomination at the Democratic National Convention in New York," (speech delivered at the Democratic National Convention 1992, July 16, 1992). Accessed March 4, 2013, <http://www.presidency.ucsb.edu/ws/?pid=25958>.

¹¹ MacLeavy, "Workfare-Warfare," 892.

Democratic National Convention in 2012, when he called it a "doughnut hole", as it lets many people fall through it.¹²

On a basic level, the American social system is comprised of two levels, one serving the "deserving middle class" and one serving those "helpless" through social welfare, burdened by stigma. The system is by no means small, but according to OECD 2011 statistics, aimed at measuring effectiveness of social systems of member states, the US had one of the lowest rankings. The US was ahead of only Mexico, Turkey and Chile.¹³ The reason for that is at hand: the effectiveness is mostly lowered by the administrative burdens that accompany high selectivity.¹⁴ To use a simple metaphor, the American social system is like a two-floor house in the center of Venice. The upper floor is well kept and full of nice furniture (programs) and light (funds) and is above water (danger of cuts). The lower floor, on the other hand, for the "welfare" citizens, is badly kept, dim, there is rusty furniture and is flooded every couple of years. Moreover, the house has many other alcoves and nooks and is difficult to navigate.

And those from the upper floors - the middle class - still show disinterest in what is happening below them, which is quite paradoxical, as they receive extensive governmental help themselves. And how can this be? As Suzanne Mettler describes in her book *"The Submerged State"*, many social policies in the U.S. became submerged, out of the sight of ordinary Americans, who still believe they are reaching their American dream through their own abilities and hard work, without knowing they are secretly being helped by the government, thus making easier for them to praise individualism in terms of social policies and decreasing their support for welfare or social programs. Thus, the paradigm of neoliberal paternalism introduced double standards into American social policies. For example, Mettler states that almost 60 percent of respondents in one poll said they did not use any governmental social program. Yet, when faced with the list of available social programs, 91 percent

¹² Bill Clinton, "Speech to the Democratic National Convention 2012," (speech delivered at the Democratic National Convention 2012, September 5, 2012). http://www.nytimes.com/2012/09/05/us/politics/transcript-of-bill-clintons-speech-to-the-democratic-national-convention.html?pagewanted=all&_r=0.

¹³ OECD, *An Overview of Growing Income Inequalities in OECD Countries: Main Findings* (OECD, 2011), 36, accessed May 5, 2013, <http://www.oecd.org/els/socialpoliciesanddata/49499779.pdf>.

¹⁴ Paul Krugman, "Health Care Confidential," *Economist's View*, January 27, 2006, accessed June 3, 2013, http://economistsview.typepad.com/economistsview/2006/01/paul_krugman_he.html.

admitted they used at least one of them. When considering educational programs, almost 60 percent used the HOPE or Lifetime Learning tax credit, 43 percent Pell grants and Head start was used by 37 percent of respondents.¹⁵ Therefore, it is important to join the public debate about the shape of the American social system, given that in the United States there are almost 40 million people living below the poverty line, another 20 million people living very close to it, and many more slowly slipping toward it.¹⁶

1.2 The U.S. Military: An ideal case-study

As resources for social policies were prone to sudden changes, funding for military infrastructure was the most stable part of the federal budget during the second half of the 20th century. During the Cold War, with rolling back of social-welfare programs under neoliberal paternalism, the national security infrastructure has enjoyed an unprecedented rise. The rise was almost uncontrolled and some scholars wrote about "Weaponized Keynesianism", which was especially visible during the Reagan era.¹⁷ The hard stance towards communism since the early 1980s, spanning Reagan's administration, resulted in massive investments in national security. This trend was accompanied by cuts in social-welfare spending. For instance, between the years "1980 and 1982, U.S. defense spending rose to levels almost 350 billion dollars per annum, while the poverty rate reached its highest level (15%) since the 1960s."¹⁸

Even after the Cold War ended, the disproportion between military spending and welfare spending remained almost the same. During the 1990s, the defense budget was reduced as the global race for domination came to an end, but the 9/11 attacks resulted in dramatic increases in military spending, as the invasion of Afghanistan was planned and carried out, followed by the invasion of Iraq. As Julie MacLeavy argues in her article "*Workfare–Warfare: Neoliberalism, “Active” Welfare*

¹⁵ Suzanne Mettler, *The Submerged State: How Invisible Government Policies Undermine American Democracy* (Chicago: University of Chicago Press, 2011), 37-38.

¹⁶ Mark Robert Rank, *One Nation, Underprivileged: Why American Poverty Affects Us All* (Oxford: Oxford University Press, 2004), 25.

¹⁷ Paul Krugman, "Reagan Was a Keynesian," *New York Times*, June 7, 2012, accessed June 23, 2013, http://www.nytimes.com/2012/06/08/opinion/krugman-reagan-was-a-keynesian.html?_r=0.

¹⁸ MacLeavy, "Workfare-Warfare," 891.

and the New American Way of War", in the United States emerged a paradox of warfare-welfare state, where there is emphasis on collective responsibility associated with military service and financing the defense budget, mixed with contradictory emphasis on individual responsibility when it comes to welfare policies.¹⁹ But what is more important, the U.S. military has developed a generous social-welfare system on its own.

It is known that: "the compensation of soldiers for extreme labor not only predates the provisions extended to civilian workers, but has long functioned as a means of managing this highly specialized workforce and its morale. What is observable now, however, is the investment of military industry in welfare provision, which is facilitating the withdrawal of the federal state from this policy arena."²⁰ Therefore, this thesis provides a case study of military's social policies and programs and their positive impacts, as a potential inspiration for reforming the federal social system in the United States.

Still, why should we perceive the U.S. Military as a social program? When discussing the defense budget, most people can usually picture only those highly visible procurement programs, such as the F-22 Raptors, F-35 Fighters or new Zumwalt-class destroyers. In actuality, there is - hidden under the layer of patriotism and admiration for military - a host of social programs most people don't see.²¹ A system so complex, it resembles its civilian counterpart. As explained in this chapter, the neoliberal paradigm is based on conservative values, such as the promotion of personal liberties, even from governmental help. The military on the other hand, provides a very thick system of social programs, services and help for the military community and beyond, where there is not the famous "hole in the middle of the doughnut".

¹⁹ MacLeavy, "Workfare-Warfare," 892.

²⁰ Ibidem, 902.

²¹ Despite the high admiration for the military as an institution, the American public has poor understanding of its inner workings, as well as of the benefits and rewards the military personnel are entitled to. According to PEW poll in 2011, 54 percent of people don't know the military benefits, while only 12 percent responded they have good knowledge of them. The rest knows only some parts. Paul Taylor et al., *The Military-Civilian Gap: War and Sacrifice in the Post-9/11 Era* (Washington, PewResearchCenter, 2011), 64, accessed March 13, 2013, <http://www.pewsocialtrends.org/files/2011/10/veterans-report.pdf>.

As will next chapter reveals, this nationally praised institution accepted many social policies and programs, which decades, or even years ago, would be deemed incompatible with a fighting force. Yet, as the all-volunteer system has given the military opportunity to have a professional force, it discovered that in order to be most effective, stable and high quality, general welfare and well-being of service members and veterans had to be taken care of. Thus, the military has developed its own educational policies, family programs, health-care system, a long-term welfare system for disabled veterans and even a chain of wholesale stores. Thus, as this thesis shows, the military doesn't have to *be* a social program to *function* as one.

Moreover, this thesis doesn't examine some small federal institution - the reach of military social policies is considerably large. Even though the military itself has 1,4 million active-duty members (with additional 850 000 in reserves) and 1 million civilian DOD employees, it has a direct impact on military family members as well.²² Then, the number rises up to 9,5 million people. And if we add the veteran population, which stands at 23 million, we reach almost 10 percent of American population.²³

The argument can be made for the U.S. military as the perfect case study. Often, when attempting to solve some important national issue, the rooted exceptionalism within American culture makes the US government and public less prone to learn from foreign experiences and policies, despite their successes.²⁴ Therefore, instead of presenting useful features of social systems of Scandinavian countries, analysis of the American military forces will be more useful, as the American public perceives them with high respect and as functioning very efficiently.²⁵ Then, the military's approach towards forging the best possible forces could help to shape the national social policies towards all citizens as well.

²² Department of Defense, *2011 Demographics: Profile of the Military Community* (Washington: Defense Man Power Data Center, 2012), vii, accessed July 3, 2013, http://www.militaryonesource.mil/12038/MOS/Reports/2011_Demographics_Report.pdf.

²³ Yet, the overall number should be decreasing as veterans of major conflicts, such as Second World War, Korea or Vietnam will die out soon. "Veteran Population Projections: FY2010 to FY2040," The Department of Veterans Affairs, accessed June 25, 2013, http://www.va.gov/vetdata/docs/QuickFacts/Population_quickfacts.pdf.

²⁴ Howard, *Debunking Myths*, 25.

²⁵ Paul Taylor et al., *The Military-Civilian Gap*, 62.

Chapter 2 - The U.S. Military: a submerged social state

One of the most important things to outline in the beginning, is that the emergence of social policies, programs and benefits was not primarily motivated by an altruistic attempt to please the forces. The military does not function that way. When the draft was abandoned in 1973 and the U.S. military was converted into an all-volunteer force, this institution had to rethink its relationship towards its members, and through strategic reasoning reached the decision to engage itself in the before mentioned areas. Additionally, "a patriotic sense of moral obligation to veterans has influenced social policy on veterans' benefits."²⁶ This chapter explains how social policies and programs emerged within the military community, with the focus on their characteristics. But before turning to the social program themselves, conceptualization of professionalization is provided, in order to explain thoroughly the underlying reason for the emergence of the respective social programs and policies.

2.1 Conceptualization of professionalization

With the introduction of the all-volunteer force, the military gained forces that were more stable in terms of their composition and could be trained over longer time periods and thus to higher standards. Therefore, entry requirements, mainly based on education criteria, were introduced to gain high quality recruits. Over time, however, these requirements were gradually increasing as a direct consequence of changes in the conduct of warfare.²⁷ By that, it is meant that technological advancements through the 2nd half of the 20th century placed larger demands on the military forces. Complex battle systems and tactics gradually replaced the "simple" weaponry of the previous era, and it took longer to teach soldiers to operate the increasingly advanced machinery. Thus, the military has needed to invest more, both into training of the

²⁶ Alexa Smith-Osborne, "Does the GI Bill Support Educational Attainment for Veterans with Disabilities? Implications for Current Veterans in Resuming Civilian Life," *Journal of Sociology & Social Welfare* 36 (2009): 113, accessed February 12, 2013, http://vets.arizona.edu/clearinghouse/documents/gi_bill.pdf.

²⁷ The issue of rising entry requirements is fully explored in the fourth chapter.

forces and in procuring equipment. In accordance with this process, it began to actively explore the possibilities available to improve the welfare of its forces, in order not to lose the "investment".

The professionalization also meant that more resources were dedicated to a smaller number of troops. Since 1973, the number of forces has been steadily declining, with biggest drop after the end of the Cold War, from 2.2 million to 1.5 million and then oscillating around 1.4 to 1.6 until 2012. Contrary to that, the defense budget was rising (with little setback during the 1990s) and costs of social programs grew steadily, reflecting the rise of investment into human resources.²⁸ For example, the cost of pay and benefits per active service member per annum rose from 54,000 dollars in 2001 to 109 000 dollars in 2012 – a stunning 56 percent increase.²⁹ But the number of military personnel, including activated reserves, rose only 8 percent in this period.³⁰ And this trend is expected to continue further.

2.2 Rising social policies within the U.S. military

Benefits and social programs are nothing new in the history of the U.S. military, as their roots can be traced back to the beginning of the United States itself. First pensions for disabled veterans of the Revolutionary War were paid by the federal government in 1789, and shortly thereafter, after the war of 1812, expanded to widows and orphans of men who died in service. The scope of the veterans' benefits system was broadened early in the 19th century with the introduction of programs for medical and hospital care. Later, involvement in the First World War triggered the establishment of several new programs that provided disability compensation, basic

²⁸ Anna Mulrine, "Why defense spending keeps rising. (Hint: It's not just the wars.)," *Christian Science Monitor*, July 19, 2011, accessed June 3, 2013, <http://www.csmonitor.com/USA/Military/2011/0719/Why-defense-spending-keeps-rising.-Hint-It-s-not-just-the-wars>.

²⁹ Inflation not counted. Bill McMichael, "Military Compensation: What's most important," *Delaware Online*, April 22, 2013, accessed July 1, 2013, <http://blogs.delawareonline.com/delawaredefense/2013/04/22/military-compensation-whats-most-important/>.

³⁰ Rajiv Chandrasekaran, "Plan to shut military supermarkets shows difficulty of cutting defense spending," *The Washington Post*, June 1, 2013, accessed June 2, 2013, http://articles.washingtonpost.com/2013-06-01/world/39672909_1_commissary-defense-business-board-pentagon-advisory-board.

life insurance for service members and modest vocational rehabilitation.³¹ The Second World War brought the introduction of the GI Bill.³² The biggest change, however, came with the introduction of an all-volunteer force. This switch in 1973 meant that the employer/employee status was added into the military. The military could no longer count on the constant supply of new recruits, by law obligated to undergo military service. Thus, it had to lure prospective recruits with additional and much bigger benefits, in order to compete with private sector and other governmental institutions for new employees. Moreover, as professionalization meant higher demands on the force, it had to attract the best possible adepts within its reach. Soon thereafter, the military discovered that to increase the quality of service members (such as their psychological health, higher education and commitment to the job), it needed to take care of their social surrounding, such as family, and other aspects of their lives, not really in direct connection to the job performed.

Therefore, since the 1970s, the scope of social programs widened along with the professionalization and started to have broader positive social and economic impacts, not only on service members and veterans, but their families and indirectly the society as well. Already in the 1980s, one of the top budget priorities for the military were the so-called "quality-of-life programs", designed to significantly improve the lives of those serving in the forces. Even though military and government officials expressed concern that this kind of spending outpaced other parts of defense spending, such as weapon procurement, it continued uninterrupted. .³³

In 1993, James Webb, former Assistant Secretary of Defense and Secretary of the Navy in the Reagan Administration, released the article "*The Military Is Not a Social Program*", in which he rejected the proposed notion. He argued that it is not the purpose of the military to act as a social program, and that its priorities should be put into new weapons, etc. Nevertheless, he admitted that the all-volunteer system has drawn heavily on young enlistees who are married or wish to marry, because of remarkable family benefits that include free medical care, housing, day care,

³¹ The GI Bill is further explored later in this chapter. "GI Bill History," Oregon State Government, accessed April 15, 2013, http://www.oregon.gov/odva/benefits/Pages/gibill_history.aspx.

³² Given its importance, it is thoroughly examined later in this chapter.

³³ James Webb, "The Military is Not a Social Program," *The New York Times*, August 18, 1993, accessed January 19, 2013, <http://www.nytimes.com/1993/08/18/opinion/the-military-is-not-a-social-program.html?pagewanted=2&src=pm>.

counseling services, commissary and PX privileges and generous early retirement benefits.³⁴

As official data shows, resources dedicated to human capital increased even during the 1990s, despite the defense budget itself was cut as a result of the Cold War ending.³⁵ Since 2001 and the waging of two wars, the military continued more intensively in this kind of spending in order to attract new recruits for the war effort. Thus, resources for social programs have been the fastest growing part of the defense budget, and increased by almost 90 percent since 2001.³⁶ Now, what is the current situation?

2.3 Defense budget of 2012

On the macro level, the 2012 defense base budget (not accounting for war expenses) amounted to 553 billion dollars, the biggest since the Second World War, and overshadowing the peak of 531 billion during the Cold War in 1985.³⁷ Currently, national defense spending represents 4.7 percent of the national GDP, which is below the post-World War II average of 6.3 percent.³⁸ But its magnitude gets more visible when measured as a fraction of all federal expenditures - 19 percent, compared to an average level of 21 percent in 1976. Or lets put it in another way. Of the 3.7 trillion dollars in the 2012 budget, the discretionary outlays represented about 40 percent - or app. 1.3 trillion. Thus, if we add war expenses to the mix (app. 150 billion dollars), more than half of the federal discretionary spending went to defense.³⁹

Within the defense budget itself, the proportion spent on human resources and social programs is quite large. From the total amount of half a trillion, approximately

³⁴ Webb, "The Military is Not a Social Program."

³⁵ Robert Zarate, "FPI Analysis: Obama FY2014 Defense Budget and the Sequestration Standoff," *The Foreign Policy Initiative*, April 11, 2013, accessed May 13, 2013, <http://www.foreignpolicy.org/content/fpi-analysis-obama%E2%80%99s-fy2014-defense-budget-sequestration-standoff>.

³⁶ Chandrasekaran, "Plan to shut military supermarkets."

³⁷ Measured in 2012 dollars. Andrew Austin, *Trends in Discretionary Spending* (Washington: Congressional Research Service, 2013), 16, accessed July 5, 2013, <http://www.fas.org/sgp/crs/misc/RL34424.pdf>.

³⁸ "Military Expenditure (% of central government expenditure)," The World Bank, accessed May 16, 2013, <http://data.worldbank.org/indicator/MS.MIL.XPND.ZS?page=1>.

³⁹ Shan Carter and Amanda Cox, "Obama's 2012 Budget Proposal: How 3,7 Trillion is Spent," *The New York Times*, February 14, 2011, accessed July 1, 2013, <http://www.nytimes.com/packages/html/newsgraphics/2011/0119-budget/index.html>.

150 billion dollars are invested into military personnel and their benefits. Of that amount, 50 billion goes to salaries, 37 billion to additional allowances (which shows the proportion of additional benefits against pay)⁴⁰, with the addition of 20 billion dollars going to retirement funds and administration. But, an additional 31 billion is dedicated to health-care expenses (such as for families, extra insurance programs etc.).⁴¹ What should not be overlooked though, when dealing with the issue of benefits and social programs for the military community, is the whole budget of the Department of Veterans Affairs, which was 129 billion dollars in 2012, almost one sixth when compared to the defense budget.⁴²

2.4 Social programs and benefits

The reach of the DOD's social programs already goes beyond the simple employer-employee relationship. Currently, the military almost functions as a social state within the state, with its own health-care system, education programs, retirement and insurance system, stores, family promotion policies, housing and leisure opportunities, all of which are explored in this part. But not only service members and their families enjoy the increment of these benefits. The DVA data show that while the number of veterans has been decreasing (from 26 million in 2009 to 23 million in 2012), expenditures dedicated to this group doubled between 2000 and 2009, from 20 to almost 50 billion dollars.⁴³ Currently, for every dollar spent on soldiers, the DOD has to set aside around 33 cents for later retirement.⁴⁴

⁴⁰ Those include housing benefits, subsistence, family care etc.. Example of the whole package is provided later in this chapter.

⁴¹ Those are for the military families and early retirees. Matthew S. Goldberg et al., *Costs of Military Pay and Benefits in the Defense Budget* (Washington: Congressional Budget Office, 2012), 7, accessed June 4, 2013, http://www.cbo.gov/sites/default/files/cbofiles/attachments/11-14-12-MilitaryComp_0.pdf.

⁴² Carter and Cox, "Obama's 2012 Budget Proposal: How 3,7 Trillion is Spent."

⁴³ "Trends in the Geographic Distribution of VA Expenditures: FY2000 to FY2009," The Department of Veterans Affairs, 5, accessed April 3, 2013, <http://www.va.gov/vetdata/docs/QuickFacts/Gdx-trends.pdf>.

⁴⁴ Anna Mulrine, "Pentagon budget: Does it pit active-duty forces against retirees?," *The Christian Science Monitor*, February 13, 2012, accessed January 24, 2013, http://www.csmonitor.com/USA/Military/2012/0213/Pentagon-budget-Does-it-pit-active-duty-forces-against-retirees-video?nav=A374061-csm_article-bottomRelated.

2.4.1 Educational programs

While being the most powerful fighting force in world, the U.S. military has considerable strength on the (battle)field of education as well.⁴⁵ In 2012, its educational programs supported almost 945 000 veterans and active-duty members during their studies.⁴⁶ In general, there are two tiers in the military's education system - the HSD/GED programs and the Tuition Assistance program administered and run by the Department of Defense; and the GI Bill administered by the Department of Veterans Affairs.

As stated earlier, HSD or its equivalent is the minimal educational entry requirement for all branches. But until 2007, the average proportion of high-school diploma holding applicants was slightly above 70 percent.⁴⁷ Thus, in order to raise these levels, the military has employed several educational programs, such as the GED Plus program, which have helped prospective service members to get a high-school diploma or GED and thus fulfilling the recruitment goals. Moreover, these programs have been designed mostly for inner city youth that have a higher than average drop out rate from the public school system, thus having a positive impact on respective communities.⁴⁸ In general, it is quite unusual to dedicate such an effort to make someone eligible for a position in a company. For example, the Army currently adds 5000 students to the GED Plus program annually, while the National Guard adds 8000 people.⁴⁹ However, these programs are reducing its activities, as since 2007 the proportion of HSD holding recruits has been constantly rising.⁵⁰ Thus, the military uses the option to drop these programs since its quota are met without additional expenditures.

⁴⁵ The military-run schools, such as the West Point Academy or the Coast Guard Academy are not taken into account due to their sole purpose of training future officers. Only educational programs for civilian schools are acknowledged.

⁴⁶ "VA Benefits & Health Care Utilization," The Department of Veterans Affairs, accessed February 25, 2013, http://www.va.gov/vetdata/docs/Quickfacts/Spring_13_sharepoint.pdf.

⁴⁷ "Military Recruitment 2010," National Priorities Project, accessed June 24, 2013, <http://nationalpriorities.org/en/analysis/2011/military-recruitment-2010/>.

⁴⁸ Now it can help more than 7000 students a year. Kyle Key, "National Guard GED Plus Program Helps Curb the Dropout Crisis," *PRWeb*, October 14, 2010, accessed April 16, 2013, <http://www.prweb.com/releases/2010/10/prweb4652004.htm>.

⁴⁹ Kimberly Hefling, "Military Widens Doors for dropouts," *National Priorities Project*, August 9, 2007, accessed May 4, 2013, <http://nationalpriorities.org/en/pressroom/articles/2007/08/09/military-widens-door-for-dropouts/>.

⁵⁰ The last chapter fully explores this trend. "Military Recruitment 2010."

Once in the military, service members can use the Tuition Assistance program, whose purpose is to improve their education while on active duty. Thus, those interested can study in college while working. Not surprisingly, 70 percent of the TA funds go to distance education.⁵¹ The program covers 100 percent of tuition and fees up to 4500 dollars per year, which safely covers most of the state and (many) private universities.⁵² Currently, the most popular are college degrees obtained through online courses, which are generally getting popular in the United States, or late night courses. In 2012, almost half a million military personnel used the program.⁵³ Moreover, if someone decides not to use the TA during his or her service, it is possible to save the benefit for later and use it as an addition to the GI Bill, thus bolstering post-service education funding.

The second tier is much bigger, both in terms of number of recipients and funding. Within the military system, there are currently eight active education programs: *Post-9/11 Veterans Educational Assistance Program* (Post-9/11 GI Bill), *All-Volunteer Force Educational Assistance Program* (Montgomery GI Bill - Active Duty), *Educational Assistance for Members of the Selected Reserve* (Montgomery GI Bill - Selected Reserve), *Veterans Retraining Assistance Programs* (VRAP), *Post-Vietnam Era Veterans Educational Assistance Program* (VEAP), *Survivors and Dependents Educational Assistance* (Dependents' Educational Assistance - DEA), *Reserve Educational Assistance Program* (REAP) and *National Call to Service Program* (NCS).⁵⁴

These programs represent the military's main pillar for both recruiting and retaining service members, as educational benefits are the most popular of all programs, as the fourth chapter further explains. Additionally, the DVA's educational programs help with readjustment to civilian life. But most importantly, the U.S.

⁵¹ Tom Harkin et al., *Benefitting Whom? For-Profit Education Companies and the Growth of Military Educational Benefits* (Washington: US Senate, 2010), 4, accessed June 1, 2013, <http://www.harkin.senate.gov/documents/pdf/4d0bbba63cba1.pdf>.

⁵² Especially when enrolling into distance degree programs. "Tuition Assistance," Military.com, accessed April 24, 2013, <http://www.military.com/education/money-for-school/tuition-assistance-ta-program-overview.html>.

⁵³ David Gura, "Military tuition cuts: A tangible sequester impact," *MarketPlace*, March 11, 2013, accessed March 23, 2013, <http://www.marketplace.org/topics/economy/6-degrees-sequestration/military-tuition-cuts-tangible-sequester-impact>.

⁵⁴ This chapter, however, examines only the first five programs, as the rest represent only a fraction of recipients of educational benefits.

military even follows broader social policy goals with these programs, as many of its official documents state that: "on a broader scale, educational benefits are meant to enhance the nation's competitiveness through the development of a more highly educated and more productive workforce."⁵⁵

These goals were firstly attempted with the original GI Bill in the 1940s. For example, Suzanne Mettler's article "*Civic Generation*" perceived that GI Bill as one the main factors behind positive perception of social policies by the "Greatest generation", as it provided the visibility for the government's help and had long-term impact on recipients of the program by providing them higher education, which was later reflected in increased level of productivity and civic engagement.⁵⁶ This success, both in terms of usage and impact, led to the long-term incorporation of these macro-political social goals into military strategy at the end of the 20th century. The new GI Bill, which was passed after 9/11, will not likely have the same impact, because its scope is much lower. The original version made it possible for 8 million people to get a higher education after the Second World War. No wonder, when almost 80 percent of the 1920s generation (age 17-24) served in the military. Today, this number is below ten percent.⁵⁷ Still, the million people currently using educational benefits - with many more to join in the future - will certainly made some mark on society as well.

There was, however, a short period in the late 1970s when the scope of educational benefits dropped significantly. The military did not want to be used by people only for benefits, as increasing number of recruits came from racial minorities. Thus, the *Veterans Educational Assistance Program* (VEAP) replaced the original GI Bill, as a measure both to save money and achieve the above-mentioned task. Not surprisingly, it was widely unpopular among veterans as well. It was the first GI Bill that required financial participation of enlistees and was designed for those who served between 1976 and 1985. Participants had to pay maximum of 2700 dollars,

⁵⁵ Veterans Benefits Administration, *Annual Benefits Report: Fiscal Year 2012* (Washington: Department of Veterans Affairs, 2012), 43, accessed March 12, 2013, http://www.vba.va.gov/REPORTS/abr/2012_abr.pdf.

⁵⁶ Suzanne Mettler and Eric Welch, "The Civic Generation: Policy Feedback Effects of the G.I. Bill on Political Involvement over the Life Course," *The British Journal of Political Science* 34 (2004): 497.

⁵⁷ Libby Sander, "Out of Uniform: At Half a Million and Counting, Veterans Cash In on Post-9/11 GI Bill," *The Chronicle*, March 11, 2012, accessed March 18, 2013, http://chronicle.com/article/Out-of-Uniform-At-Half_a/131112/?key=HD97dAVgMiNHM.

with the DOD matching this amount 2:1.⁵⁸ This bill had the opposite impact on recruitment, as the minority proportion in the forces grew even more. The fourth chapter explores this issue more deeply.

In order to correct the situation, the so-called "Montgomery GI Bill" was passed in 1984. It was more generous in terms of covered tuition, but as with its predecessor, service members had to contribute (less than half of the previous amount) to the program in order to gain the benefits. Service members contributed 100 dollars a month for the first 12 months of their enlistment, with the promise to have 36 months of college education paid for. After this bill, there was no change to the GI Bill until the Gulf War in the early 1990s. The Gulf Act of 1991 only authorized increases in monthly educational benefits provided by the Montgomery GI Bill.⁵⁹ The biggest change since the original GI Bill came less than two decades later.

The *Post-9/11 GI Bill* once again provided military service members and veterans free education, which was to ensure more efficient and high quality forces (in the time of war). It also provided an opportunity to adjust to civilian life where, through this benefit, service members could integrate into civilian life more easily. The bill was passed on June 30, 2008 and further expanded not only funding, but also existing education benefits, including tuition, fees, a book stipend and a supplies stipend. Additionally, it expanded program eligibility for up to 15 years after leaving the service.⁶⁰ Moreover, service members became eligible for the GI Bill within 90 days of enlistment, if the enlistment occurred after September 10, 2001. That was significantly different in comparison to the Montgomery Bill, which entitled these benefits only to those serving more than 3 years on active duty. Furthermore, the 2008 provision expanded the DOD' Tuition Assistance program by providing educational programs even for military spouses.⁶¹ Additionally, service members got a chance to transfer their educational benefits to their spouses or family members.⁶² Finally,

⁵⁸ Veterans Benefits Administration, *Annual Benefits Report*, 45.

⁵⁹ "GI Bill History."

⁶⁰ Veterans Benefits Administration, *Annual Benefits Report*, 44.

⁶¹ More about the program "Military Spouse Career Advancement Accounts" is written later in this chapter.

⁶² In 2012, around 150 000 people used that opportunity, with more than 65 percent used it to support their children in education. But this option is only valid for service members who served at least 10 years on active duty, or those who served 6 years and sign contract for four more years. Veterans Benefits Administration, *Annual Benefits Report*, 49.

service members were able to combine the Tuition Assistance program from the DOD with benefits from the GI Bill, in order to increase their educational potential.⁶³

However, the surge of new applicants, combined with generally rising costs of American education, pushed the DOD into proposing new amendment to the GI Bill in order to satisfy more applicants without the need to significantly increase its budget. Thus, the *Post-9/11 Veterans Educational Assistance Improvements Act of 2010* changed the national cap to combined tuition and fees of 17,500 dollars, replacing the state-by-state cap. As a result, in states like Massachusetts, where tuition is the most expensive, veterans would often have to apply for additional college scholarships or student loans. On the other hand, 85 thousand National Guardsmen have been added to the GI Bill and all ADPs became eligible for using the full annual book allowances.⁶⁴

To counter the limitation caps, the so-called "Yellow Ribbon" program was expanded, in order to provide additional funding for tuition above the caps for the top applicants. However, it is only valid for schools and graduate programs where prices exceed the state's price limit. Moreover, these institutions have to qualify by creating "veteran's only" scholarships. Only then the DVA will match the remaining sum. Apart from college tuition and fees, veterans are under the GI Bill paid monthly housing allowance, so called Basic Allowance for Housing (BAH). The living allowance depends on location and can range from 807 dollars a month in Bellville, Ohio, to 3,258 dollars a month in Manhattan, New York.⁶⁵ Overall, the usage of the GI Bill greatly expanded after 2008. In that year, 540 000 people used it, but in 2010 it was already 800 000, with 945 000 enrolled in the program in 2012.⁶⁶

What is also important to note is that around 59 percent of veterans using the GI Bill have attended state college rather than a private one. Therefore, it can be argued that this system has an added value in itself, as it supports the state-run education, which has often been neglected by federal and state governments. The surge of

⁶³ Harkin, *Benefitting Whom?*, 3.

⁶⁴ Daniel Caldwell, "Is The "New" Post-9/11 GI Bill Really A "Win" For Vets?," *VAntagePoint*, December 30, 2010, accessed June 13, 2013, <http://www.blogs.va.gov/VAntage/1027/is-the-new-post-911-gi-bill-really-a-win-for-vets/>.

⁶⁵ "The Post 9/11 GI Bill", The New GI Bill, accessed April 1, 2013, http://www.newgibill.org/post_911_gi_bill.

⁶⁶ The annual cost of the GI Bill program was app. 10.5 billion dollars in 2012. Veterans Benefits Administration, *Annual Benefits Report*, 46-48.

hundreds of thousand veterans from recent wars might change their approach in significant and positive ways.⁶⁷ Moreover, as the US Senate's HELP Committee (Health, Education, Labor and Pension Committee) chaired by Senator Tom Harkin recently discovered, the expansion of educational benefits in 2008 and later in 2010 let many service members, veterans and their family members to increasingly choose more expensive private education, which has been burdensome for the DOD budget. The committee's report proposes limits to funding for private colleges and shifting those funds toward state colleges. But it did not argue that veterans should be deprived of a better education. On the contrary, the study of the committee and the DVA found that the biggest private recipients did not have significantly better results than their state-run counterparts, especially given their price tag.⁶⁸ Thus, it proposes more veterans go to state-run institutions, with the "saved" money to be channeled toward new participants.⁶⁹

2.4.2 Health-care

The beginning of the health-care system in the U.S. military dates even before the establishment of the all-volunteer force, enacted by the "*Civilian Health and Medical Program of the Uniformed Services*" law in 1966, now known as TRICARE. Originally, the program covered only service members on active-duty and retirees after 20 years of service, meaning those eligible for retirement pay. But since then, it has greatly expanded both in terms of funds and people covered, with the biggest expansion shortly after 9/11. Overall, the military health-care system costs around 100 billion dollars, which seems even bigger if we compare it with the vast civilian

⁶⁷ Tom Harkin, "Senators Unveil New Data Detailing Alarming Trend of Misguided Use of America's Veterans' Education Benefits," *The US Senate*, September 22, 2011, accessed March 17, 2013, <http://www.harkin.senate.gov/press/release.cfm?i=334149>.

⁶⁸ Harkin, *Benefitting Whom?*, 1.

⁶⁹ There is a strong lobby in Washington DC trying to oppose such change, because it is a profitable business for private colleges. In 2009-2011, the ten biggest recipients, with 8 of them being private, earned more than 1.1 billion dollars. And while these colleges received 37 percent of the GI Bill funding, only 25 percent of veterans enrolled in their programs. "Where are Federal GI.Bill Dollars Going?," HELP Committee - US Senate, accessed March 24, 2013, <http://www.harkin.senate.gov/documents/pdf/4ecbffe07af8e.pdf>.

programs, such as Medicaid (450 billion) and Medicare (520 billion), which serve almost 120 million people, while the military system serves app. 20 million.⁷⁰

The health-care system is divided into two parts: the DOD controls services for service members, reserves and their families, while the DVA provides health-care for veterans (and their families). Thus, these two systems function separately. The DOD's TRICARE is based on cooperation with private insurance providers, while the health-care run by the DVA is a single payer system, thus owning both hospitals and paying the attached bills.⁷¹ Both departments spend basically the same amount on this benefit, but providing health-care is one of the main services offered by the DVA (apart from the GI Bill), as it annually spends almost half of its budget on it, while the DOD just about 10 percent.

Within the DOD's health-care budget (52 billion dollars), 32 billion goes to Defense Health Program, resp. TRICARE, which provides insurance for all active service members and their families. Another 11 billion is allotted for TRICARE for Life, a Medicare supplemental insurance for military retirees, with the rest going to other things, such as military hospitals and their staff.⁷² The DOD part covers 9.6 million Americans.⁷³ Overall, the cost of this part of the military's health-care budget is rising rapidly. At the current speed, it will rise from the current 52 billion, to 77 billion dollars in 2022, according to the Congressional Budget Office.⁷⁴

As stated, the DVA spends an additional 51 billion out of its app. 130 billion dollar budget, which allow it to run 151 hospitals and 827 outpatient clinics, which annually treat around 6.3 million patients (in 2012).⁷⁵ As it was mentioned earlier, the total number of veterans has been steadily declining. But the DVA's funding for health-care has been on the rise. Between 2000 and 2009, health-care expenses for veterans almost doubled from 20 to 40 billion dollars.⁷⁶ Overall, 11.8 million veterans

⁷⁰ Avik Roy, "How Health-Care Spending Strains the U.S. Military," *Forbes*, December 3, 2012, accessed December 20, 2012, <http://www.forbes.com/sites/aroy/2012/03/12/how-health-care-spending-strains-the-u-s-military/>.

⁷¹ Goldberg et al., *Costs of Military Pay*, 28.

⁷² DOD's health-care covers veterans who are eligible for retirement and thus receive special free health-care. Other veterans are covered by the DVA.

⁷³ Roy, "How Health-Care Spending Strains the U.S. Military."

⁷⁴ Goldberg et al., *Costs of Military Pay*, 3.

⁷⁵ "Department of Veterans Affairs Statistics at a Glance 2012," Department of Veterans Affairs, 3, accessed June 5, 2013,

http://www.va.gov/vetdata/docs/Quickfacts/Homepage_slideshow_03_31_13.pdf.

⁷⁶ "Trends in the Geographic Distribution of VA Expenditures: FY2000 to FY2009."

are covered by DVA health-care.⁷⁷ Interestingly enough, recent data pointed out that the DVA's insurance program as a whole is currently the 9th biggest insurance player on the American market, despite the fact that the number of people covered is small when compared to private providers.⁷⁸

But, despite the significant rise in the cost of the military's health-care within the last decade, both recent wars played only a small role in it, because only 2 billion dollars of the combined health-care budget has been directed towards care for the wounded. The decisive factor behind the rise is the increasing number of service members and retirees using TRICARE as a primary source of health-care for both themselves, and increasingly, for their families.⁷⁹ And if we look at the people insured by the DOD's TRICARE program, this becomes apparent. For the past five years, the number of people covered has fluctuated around 7 million, but only 2.5 million of those have been service members. The remaining 4.5 million is comprised of more than 3 million family members and 1.5 million veterans. The number of enrolled people dropped by 200 000 from 2011 to 2012, but that was due to an overall reduction of forces, and not cuts in funding. The amount spent per person is still increasing. In general, the TRICARE insurance program should mirror insurance programs of large private employers, where employees and their families receive payments and are free to choose their own private insurance provider. Currently close to 95 percent of those eligible for TRICARE use it.⁸⁰

Even after leaving the service, military employees are not omitted from the system. Firstly, for service members with at least 24 months of service, there is free health-care for 5 years after they end their service.⁸¹ Then, in the period before being eligible for Medicare (37-64 years of age), former service members and their families can enroll into TRICARE Prime, run by the DVA. This health-care plan functions almost the same as most private health-care plans, but costs for a whole family, on average, is only 19 percent of what non-military families have to pay - 880 dollars

⁷⁷ Out of this number, 7.5 million are Vietnam War veterans and the rest, around 3,7 million, are from previous war engagements. Number of newest veterans was not added. "Department of Veterans Affairs Statistics at a Glance 2012."

⁷⁸ Veterans Benefits Administration, *Annual Benefits Report*, 55.

⁷⁹ Goldberg et al., *Costs of Military Pay*, 29.

⁸⁰ Thanks to Veteran's Benefit act of 2010, most insurance programs witness increased coverage. Veterans Benefits Administration, *Annual Benefits Report*, 52.

⁸¹ Previously it was 2 years, but was expanded in 2010. Goldberg et al., *Costs of Military Pay*, 11.

against 5000 dollars per year.⁸² Until the last year, after being eligible for Medicare, retirees and their families could access some of the "Mature Life Insurance" programs, which were supposed to provide better care for veterans compared to civilian programs for elderly and be available only for modest fees. But due to changes in general health-care in the US, these programs ceased to enroll new applicants, but are still active. On average, they cover most of the things that are needed, but are not covered by Medicare, such as, some special procedures, drugs or treatments.⁸³ Under the current plan, future incoming military recruits should be fully dependent on the universal health-care for the elderly.

But that is not valid for those eligible for TRICARE for Life, which was enacted by Congress in 2001. This retiree health-care is only available for approximately 17 percent of the military that stays in the service long enough to qualify for retirement.⁸⁴ Instead of enrolling in Medicare at retirement and receiving coverage from the national federal program, they are enrolled in TRICARE for Life, and continue to be covered by the DOD. This care is getting increasingly expensive, and in order to pay for this program, the DOD has to set aside 5500 dollars annually for every service member.⁸⁵ A special group within the DOD and the DVA system provide insurance programs for disabled veterans. The programs are designed for those who cannot afford private insurance due to their service-connected disability once they return to civilian life. These programs represent a solution for the limited options available for disabled veterans to have affordable insurance from the private sector.⁸⁶

⁸² Goldberg et al., *Costs of Military Pay*, 28.

⁸³ For example: National Service Life Insurance (NSLI), United States Government Life Insurance (USGLI), Veterans' Special Life, Insurance (VSLI) and Veterans' Reopened Insurance (VRI) programs. Goldberg et al., *Costs of Military Pay*, 31.

⁸⁴ Associated Press, "Congress forcing military to keep unwanted assets, programs despite spending cuts, report says," *The Fox News*, April 23, 2013, accessed April 25, 2013, <http://www.foxnews.com/politics/2013/04/23/congress-forcing-military-to-keep-unwanted-assets-programs-despite-spending/>.

⁸⁵ Jared Serbu, "Analysis: Pay, benefits, O&M will swallow entire DoD budget by 2024," *Federal News Radio*, April 8, 2013, accessed April 25, 2013, <http://www.federalnewsradio.com/394/3277858/Analysis-Pay-benefits-OM-will-swallow-entire-DoD-budget-by-2024>.

⁸⁶ These include the Service-Disabled Veterans Insurance (S-DVI) and the Veterans' Mortgage Life Insurance (VMLI) programs. Veterans Benefits Administration, *Annual Benefits Report*, 51.

The importance of health-care benefits to military members and veterans can be seen not only in the expansion of the health-care system, but in the provided quality as well. Not two decades ago, VHA hospitals were in a state of decay. There was an insufficient number of doctors, overwhelming bureaucracy, shortages of supplies, clinical errors, etc. The radical restructuring in the 1990s made a dramatic shift toward modern, private-like care. For example, a *New England Journal of Medicine* study found that the VHA beat Medicare on 11 measures of quality. And an *Annals of Internal Medicine* study concluded that the VHA provided better care for diabetes patients than private managed-care systems.⁸⁷ In some cases it was presented as a model for Obama's health-care reform. For example, in his article "*Health Care Confidential*", Paul Krugman wrote that the "secret of its success is the fact that it's a universal, integrated system. Because it covers all veterans, the system doesn't need to employ legions of administrative staff to check patients' coverage and demand payment from their insurance companies. Because it's integrated, ... it has been able to take the lead in electronic record-keeping and other innovations that reduce costs, ensure effective treatment and help prevent medical errors."⁸⁸ Yes, the system is still not perfect, but the point is that its universality and equality of services for all within the system have many positive effects, which should be pursued in the civilian health-care (and social) system as well.

2.4.3 Retirement system

The military's retirement system is quite similar to the retirement system of other governmental departments and is available for those that stay in active duty for 20 years or more. The fundamental difference, though, is that the military pays retirement immediately after leaving, regardless of age, with the equivalent of at least half of final-years salary.⁸⁹ Currently, the average age of retirement for officers is 47 and 43 for enlisted soldiers. Thus, in some cases, they can enjoy these services for

⁸⁷ Michael Cannon, "VHA is Not the Way," *The CATO Institute*, March 6, 2006, accessed April 28, 2013, <http://www.cato.org/publications/commentary/vha-is-not-way>.

⁸⁸ Krugman, "Health Care Confidential."

⁸⁹ This rule is valid for service members who entered the military from 1980. Joel Sitrin et al., *Valuation of the Military System: September 30, 2011* (Washington DC: Department of Defense, 2013), 39, accessed March 3, 2013, <http://actuary.defense.gov/Portals/15/Documents/MRFValRpt2011.pdf>.

another 40 years.⁹⁰ Another difference is that not only those serving more than 20 years are eligible for retirement pay. In order to take care of less fortunate veterans, the DVA provides a special pension to those over 65, who are not eligible for the standard pension, but are suffering from low income.⁹¹ Another category of retirement pension is disability compensation. Currently, around 3.5 million have some sort of disability compensation, with almost 1.3 million Second Gulf War veterans.⁹² Within this category, not only are the veterans paid, but their survivors as well. The program has changed much since its adoption in the 1950s, but currently, an active-duty member of the military becomes eligible for full retirement benefits upon death regardless of the amount of time served. These benefits are transferred to the surviving family.⁹³ As of September 2011, 1.47 million non-disability retirees from active-duty and full-time reserves were receiving an annualized retired pay entitlement totaling 40.76 billion dollars.⁹⁴ Overall, the retirement system costs more than 100 billion dollars a year, if we count health-care as well, with a projected increase of up to 217 billion dollars when the new Gulf War veterans reach retirement age over the next two decades. In addition to that 100 billion dollars, we need to add another 24 billion dollars that are dedicated to other retirement benefits.⁹⁵

2.4.4 Family life and commissary system

In general, the U.S. military has a rich family life, as 43 percent of its members have at least one child.⁹⁶ And this trend is rising, as increasingly more recruited personnel already have families. In the past five years, there was an increase from 52 to 58 percent of applicants with children, which correlates with the economic

⁹⁰ NPR Staff, "Cutting Retiree Benefits A Sore Subject For Military," *NPR*, December 4, 2011, accessed April 5, 2013, <http://www.npr.org/2011/12/04/143115964/cutting-retiree-benefits-a-sore-subject-for-military>.

⁹¹ Goldberg et al., *Costs of Military Pay*, 10.

⁹² Veterans Benefits Administration, *Annual Benefits Report*, 5.

⁹³ Joel Sitrin et al., *Valuation of the Military System*, 43.

⁹⁴ *Ibidem*, 40.

⁹⁵ Tom Shoop, "Military Spending: Will Pay, Benefits Cuts Come First?," *Government Executive*, January 3, 2012, accessed January 13, 2013, <http://www.govexec.com/federal-news/fedblog/2012/01/military-spending-will-pay-benefits-cuts-come-first/40819/>.

⁹⁶ Department of Defense, *2011 Demographics*, 110.

downturn and perception of military as a stable place to provide for a family.⁹⁷ It is not an irrational perception. The military supports family life and environment by providing various benefits, with housing and subsistence payments being the biggest. Even "the fourth-most-junior pay grade (...) receives annually a subsistence allowance of \$4,180. Housing allowances vary considerably by location, but the average for a member with dependents stationed in the continental United States is \$14,820."⁹⁸ More than 3 billion dollars go to family housing every year.⁹⁹ Moreover, the military subsidizes child-care for service members. Additional benefits include, for example, free fitness and recreation centers, free travel through military channels and one of the most surprising benefits - the commissary system.

Despite the system of government-run supermarkets present at almost every bigger military base across the United States, most people are unaware of its existence. No wonder, because only military members, their relatives and veterans can shop there. Commissaries have most of the food products available in other commercial stores, but sell them at wholesale prices, and without value-added tax.

The first of these shops opened in the 1820s for soldiers and their families on frontier outposts, where there were no other means of getting supplies. Products were sold for the same prices that the government bought them. The program slowly expanded through the 20th century, with a huge increase in 1990, when the Defense Commissary Agency was set up. It oversees the operation of stores united from all branches and provides, on average, 11,000 tax-exempt items per store. Typically, items are 30 percent cheaper than items found at retail stores. Today, these markets lack the original purpose, but they continue to be an important part of the "care-package" for the military community, at a cost of 1.4 billion dollars a year.¹⁰⁰

In 2012, the Pentagon advisory board proposed shutting down all of these stores, excluding only those serving deployed forces abroad, which would save taxpayers about 1 billion dollars a year. The proposal was immediately discarded.

⁹⁷ Ibidem, 117.

⁹⁸ In recent decade, the housing allowance increased by 83 percent, while subsistence payment by 40 percent. Goldberg et al., *Costs of Military Pay*, 16.

⁹⁹ Carter and Cox, "Obama's 2012 Budget Proposal."

¹⁰⁰ Customers pay only 5 percent taxes to fund construction and renovation of these stores. The rest of operational costs are covered with federal money. Some of the markets have annual sales of almost 100 million dollars, but given the tax-exemption, they are the most costly ones for the military. Chandrasekaran, "Plan to shut military supermarkets."

Why? Firstly, there was pressure from the Armed Forces Marketing Council and the Coalition of Military Distributors, because companies involved in the system would lose a good marketing opportunity ("serving our heroes"). Secondly, the system employs around 14 thousand people in 247 stores across the world, of which almost 12 thousand are military family members. This would be seen to "hurt" military families, and by extension, the military. And most importantly, the military community perceives low food prices as a crucial benefit. In the end, the DOD decided that commissaries are currently worth the cost, or at least, closing them is not worth the fight.¹⁰¹

2.4.5 Vocational rehabilitation

When leaving a military job, veterans can not only enjoy the educational benefits, but are also actively followed and helped by the DVA when returning to civilian workforce. Immediately after leaving, most service members can use the *Vocational Rehabilitation and Employment* (VR&E) program, consisting of many services for service members, veterans and their relatives. On a general level, it provides career counseling, job training, accommodation and job-placement assistance.¹⁰² During the past five years, its usage has been increasing steadily, with 121,000 enrolled in 2012.¹⁰³ During the time of enrollment, which length depends only on the need of an enrollee, the program not only provides the above-mentioned services, but the DVA sponsors medical and dental care as well. Moreover, the program currently pays subsistence payments to 61,000 veterans to help with living expenses. And of those, 90 percent are students currently enrolled in the GI Bill-sponsored undergraduate or graduate programs. These payments enable veterans to not work and focus solely on study, despite their own initial poor socio-economic status.¹⁰⁴

¹⁰¹ This benefit costs Pentagon app. 4400 dollars a year per family. The official reason for not cancelling them was that the system helps to retain quality forces. Chandrasekaran, "Plan to shut military supermarkets."

¹⁰² For example, there is program "Hero2Hired (H2H)", which provides information to military friendly companies about prospective candidates. <https://h2h.jobs/>

¹⁰³ Around 75 000 people is enrolling every year. Veterans Benefits Administration, *Annual Benefits Report*, 77-78.

¹⁰⁴ That wouldn't be possible with widely used Pell Grants. Ibidem.

Later in life, if some veterans experience problems with their career paths, need retraining or want to improve their education, but have already exhausted the TA program or GI Bill, the DVA is still prepared to help. Its *Veterans Retraining Assistance Programs* (VRAP) are special programs for older veterans, from 35 up to 60 years of age, which cover 12 months of educational or vocational training. The programs are only for those who already used, or are not eligible for, previous educational programs or the VR&E. Moreover, veterans must be unemployed at the time of application. To increase effectiveness, the Department of Labor determines the most demanded jobs on the market and then provides the necessary training. Currently, the program offers vocational training for computer support, heating and A/C repairs or operations management.¹⁰⁵ On average, the VRAP annually enrolls around 40,000 veterans who have exhausted their GI Bill.¹⁰⁶ But there are also other, partly DOD supported programs. One of them is Michelle Obama's "Joining Forces" initiative, which combines job fairs and retraining programs for veterans, and has already helped more than 90,000 veterans and military spouses to find jobs, It is expected to exceed its 100,000 target by 2013.¹⁰⁷

And not only veterans and service members are helped in this regard. In 2009, a new program was introduced - the *Military Spouse Career Advancement Accounts* (MyCAA), which was supposed to increase career opportunities for military spouses, through awarding app. 6,000 dollars a year toward college degree seeking and job training programs. However, in the first year almost 14,000 people entered the program, as it was available to all military spouses, and the DOD estimated its cost for 250 million dollars, which was considered unsustainable for the future. Thus, in 2012, it was redesigned to be valid only for job-training and short-term academic programs, resp. not bachelor or graduate programs, with the total cap on 4,000 dollars per person.¹⁰⁸

¹⁰⁵ Veterans Benefits Administration, *Annual Benefits Report*, 50.

¹⁰⁶ Matt Sledge, "Veterans Retraining Assistance Program For Unemployed Service members Attracts Thousands," *The Huffington Post*, April 9, 2012, accessed November 22, 2012, http://www.huffingtonpost.com/2012/09/04/veterans-retraining-assistance_n_1854679.html.

¹⁰⁷ Phil Stewart, "Special Report: Obama's struggle to mend veterans' safety net," *Reuters*, July 26, 2012, accessed November 11, 2012, <http://www.reuters.com/article/2012/07/26/us-usa-veterans-obama-idUSBRE86P0JG20120726>.

¹⁰⁸ Tom Harkin et al., *Benefitting Whom?*, 6.

2.4.6 Financial welfare

Another area of interest for the DOD and the DVA is the financial welfare of veterans after leaving the service. In this respect, we might mention the DVA *Fiduciary program* for veterans, which manages financial affairs of veterans who are in need of help due to disability, illness or advanced age. The program identifies needed beneficiaries, manages their state of financial affairs and helps them to get all of the available governmental help (not only from the DVA) in the most efficient way. In 2012, almost 135,000 people were in the program, including survivor spouses and children at a cost of 2.3 billion dollars.¹⁰⁹

Another important program is the DVA's *Home Loan program*. Originally designed for veterans of the Second World War to help them integrate more quickly into the post-war economy by making it easier to purchase a home. Since then, it has developed to be a standard military benefit, as it was widely popular within the military community. And its usage expanded. Currently, it is designed not only to help with building a new home or refinancing existing loan, but also for improving home with "green" technologies, such as solar panels etc.¹¹⁰ Its importance proved itself during the mortgage crisis in 2008, when it provided useful safety net for hundreds of thousands veterans. As a result, more than 1.8 million people currently participate in the program, with the DOD guarantying 120 billion dollars in 2012.¹¹¹

2.4.7 Indirect help to poor regions

The last example is not a program, but rather a simple result of the military's existence and magnitude having an impact on the wider American population. It is the economic and social impact that military bases have on their surrounding communities. In 2005, there was a fifth round of restructuralization of the U.S. military bases since the Cold War, because there was a need to close bases that were no longer strategically viable. Despite this being solely a military matter, there was a factor that changed the discussion from a strategic to a political level. It was so called

¹⁰⁹ Veterans Benefits Administration, *Annual Benefits Report*, 41.

¹¹⁰ *Ibidem*, 64.

¹¹¹ *Ibidem*, 66-69.

„indirect employment multiplier“, which measures economic impact of the proposed closures.¹¹² On average, per capita income is minimally affected by base closures, but there is a major impact in regions that are in economic decline or rural areas. Loss of revenue from property taxes, sales tax, licenses and permits, severely hurt those regions and local governments, which could lose a major revenue stream, and as a consequence could stop providing certain services to the public. For example, the closure of the Hanscom Air Force Base in Massachusetts would mean the loss of about 200 million dollars in defense contracts to local firms. But, when the economic activity of its service members (like shopping etc.) and services for the base are taken into account, the estimated losses to the community would be at least 3 billion dollars.¹¹³ And unlike in wealthy Massachusetts, those amounts would have even higher value in poorer regions. School enrollment would be impacted as well– in regions with small population density, some schools would have to be closed.¹¹⁴

Since the BRAC Commission (Defense Base Closure and Realignment), which was set up to direct the closures, it has had many politicians vote against base closures that affected their constituencies.¹¹⁵ For example, in 2012 the Congress objected to another round of military closures, even though the Army still had around 21 percent excess infrastructure capacity, because it was reduced by only 4 percent since 2005.¹¹⁶ As a response to this Congressional decision, even the Defense Secretary Leon Panetta acknowledged the economic impact when he said: "I understand that now is not the time for another BRAC round, especially when our economy is struggling to recover."¹¹⁷ Thus, economy and social politics took precedence over macro-strategic policies of the military. Why else it would keep so many unused bases in the middle of the United States, old relics of the Cold War era's fear of Soviet invasion?

¹¹² Measures the influence on local community where a base is and its impact on local work force.

¹¹³ Tadlock Cowan, *Military Base Closures: Socioeconomic Impacts* (Washington DC: Congressional Research Service, 2012), 2, accessed April 7, 2013, <http://www.fas.org/sgp/crs/natsec/RS22147.pdf>.

¹¹⁴ Therefore, the Local Redevelopment Authority was established in order to help with „post-base“ (re)development. Cowan, *Military Base Closures*, 4.

¹¹⁵ Jeremy Herb and Carlos Munos, "Pentagon's \$527 billion budget includes new base closures, military benefit cuts," *The Hill*, April 10, 2013, <http://thehill.com/blogs/defcon-hill/budget-appropriations/292925-pentagon-budget-includes-new-base-closures-compensation-cuts>.

¹¹⁶ Jared Serbu, "Analysis: Pay."

¹¹⁷ Jared Serbu, "Panetta throws in the towel on 2013 base closures," *Federal News Radio*, August 7, 2012, accessed June 1, 2013, <http://www.federalnewsradio.com/414/2981782/Panetta-throws-in-the-towel-on-2013-base-closures>.

But even on a general level, it's actually difficult to cut the defense budget. Republicans don't support it because of their values and a lot of Democrats because of the fear of looking soft on national security. Moreover, there is also a strong lobby by the military industry.¹¹⁸ We also have to take into account the fact that many politicians are unwilling to decrease the defense budget, as it would hurt their constituencies, which is an issue above political ideology.¹¹⁹

¹¹⁸ The defense industry spends app. 120 million dollars a year on influencing decision-makers. "Defense," OpenSecrets, accessed April 9, 2013, <http://www.usnews.com/congress/industries/misc-defense/>.

¹¹⁹ Mark Engler, "US Military Spending Marches On," *The Guardian*, February 28, 2011, accessed December 13, 2013, <http://www.guardian.co.uk/commentisfree/cifamerica/2011/feb/28/us-military-public-finance>.

Chapter 3 - Impacts of the military's social system

The previous chapter introduced various programs and benefits designed, not only to improve lives of service members during their active-duty, but also after switching back to civilian life. This chapter attempts to measure the impact of those provided services, in order to show how the military as an institution functions, or has an impact as a social program. Three categories have been chosen to measure the impact: veteran's employment, educational attainment and family life. However, the array and overlap of military programs is so broad and complex that we cannot measure individual impacts of respective programs, but available data allow us to look at the overall impact on the military community in respective categories.

3.1 Veterans and post-service employment

One of the main socio-economic aspects of the U.S. military is that it prepares its service members for civilian life quite well. On a general level, it gives them certain professional skills that might be used later in the civilian sector.¹²⁰ Moreover, as the military environment is very demanding and strict, they might get more "working discipline". Moreover, as the previous chapter described, many requalification programs are in place to help new veterans find a proper job immediately, or after using one of the educational programs. Therefore, focus on the unemployment rates among veterans compared to their peers, is important in order to recognize the benefits of service.

The Bureau of Labor Statistics (BLS) data show that the unemployment rate for veterans, is on average, 1-2 percent lower than for their civilian peers. There are, of course, differences among the veteran groups. Those from the Vietnam and Cold War eras enjoy the lowest unemployment rates (usually 2 percent below national average), as with time they get fully incorporated into the work force. Slightly higher are the unemployment rates of veterans from the First Gulf War, fluctuating one percent below the national average. Let us look at the last decade, as it is the most relevant - given the time proximity and broad application of new social programs within the

¹²⁰ Those could be mechanical, administration or simply organizational skills.

military. From 2000 until 2009, the unemployment rate in the US rose from 4 to 10 percent.¹²¹ Among veterans 20 years and older (thus the First Gulf War veterans and later), the unemployment rate through this period was on average 1 percent or more lower when compared to civilian peers.¹²² In 2009, when the economic crisis hit the hardest, veterans from the Vietnam War and Cold War eras were still below 8 percent.¹²³ Still, it is better to consider the "new generation" of veterans from the First Gulf War onwards. Not only were they below the national average until 2009, but also amidst the economic downturn, their unemployment rate was dropping, with a final decrease from 5.9 percent in October 2011 to 5.2 percent in October 2012.¹²⁴

On the other hand, unemployment for the Second Gulf War veterans followed a different pattern. Their unemployment rate was below average until the economic crisis hit and then it rose from 7.3 percent in 2008 to 12.7 percent in May 2012, while the national average was 8.2 percent.¹²⁵ According to the newest official data (from December 2012), veterans between ages 18 and 24 have almost one-third unemployment. That is significantly higher when compared to their civilian (non-veteran) peers, where the number is 17.6 percent. For older veterans (25 to 34), which went through the new wars as well, the rate is closer to the non-veteran group - 13.4 compared to 9.5 percent. Veterans, who are above the age of 35, "enjoy" the same rate as their civilian peers.¹²⁶

Even though the numbers look grim for veterans of the Second Gulf War, and suggest the ineffectiveness of military social programs, it is not so. We have to take into account several factors. First, veterans usually take some time off before entering the labor market, for various reason: to decide where to work, to enroll in college, or maybe to enlist again.¹²⁷ Second, as we saw with veterans from the previous wars,

¹²¹ "Labor Force Statistics from the Current Population Survey - 2012," Bureau of Labor Statistics, accessed May 6, 2013, <http://data.bls.gov/timeseries/LNS14000000>.

¹²² "Employment Situation of Veterans," Bureau of Labor Statistics, May 2010, accessed January 24, 2013, <http://www.bls.gov/spotlight/2010/veterans/home.htm>.

¹²³ "National Center for Veterans Analysis and Statistics: Selected Research Highlights 2010," Department of Veterans Affairs, 6, accessed March 17, 2013, <http://www.va.gov/vetdata/docs/QuickFacts/Reports-slideshow.pdf>.

¹²⁴ Similar numbers can be seen among Korea and Vietnam veterans. "Employment status of the civilian population 18 years and over by veteran status," Bureau of Labor Statistics, accessed November 02, 2012, <http://www.bls.gov/news.release/empsit.t05.htm>.

¹²⁵ "Employment status of the civilian population 18 years and over by veteran status."

¹²⁶ BLS Press Office, "Employment Situation of Veterans Summary," *Bureau of Labor Statistics*, March 20, 2012, accessed November 20, 2012, <http://www.bls.gov/news.release/vet.nr0.htm>.

¹²⁷ "Employment Situation of Veterans."

their average unemployment rate is steadily below national average. Thus, we can assume that with time, their employment rates drop significantly as they fully integrate into the work force. This process might already be under way. The unemployment rate for the newest veterans has slowly but steadily decreased since December 2011.¹²⁸ Moreover, to counter the expected bigger unemployment rates, the U.S. military initiated many new requalification programs for its retiring service members. As explained in the previous chapter, almost one million veterans are now using the GI Bill to improve their education and thus their chances in the labor market.¹²⁹ The future certainly does not look grim after all for those circa 700,000 currently unemployed new veterans.¹³⁰

Moreover, it seems that military service is useful when one desires to be employed by the federal government. Despite the Second Gulf War veterans and their civilian peers having similar occupational profiles in 2011, the former group was twice as likely to work in the public sector - 27 to 14 percent.¹³¹ According to recent DVA analysis (2011), the percentage of new hires to federal government coming from veterans rose between 2006 and 2011 by 6 percent, from 22 to 28 percent.¹³² And if we compare the number of hired (even all) veterans with the total population against the proportion of the new hires, we might speak about preferential treatment.¹³³ Overall, almost two thirds of veterans agree that the military helped them to go further

¹²⁸ Lauren Bailey, "Veteran Unemployment Rate at 6.7 Percent in September; Post-9/11 Vet Unemployment Rate Continues to Fall," *Vantage Point - US DVA*, October 5, 2012, accessed November 6, 2012, <http://www.blogs.va.gov/VAntage/8193/veteran-unemployment-rate-at-6-7-percent-in-september-post-911-vet-unemployment-rate-continues-falling/>.

¹²⁹ New data show that the post 9/11 veterans expect more from the military when they are discharged than their predecessors from previous engagements - and not only when acquiring job. For example, when asked if they received from the government (DVA) all the help needed, 51 percent of post 9/11 veterans answered clear yes. But for Vietnam through 9/11 veterans it was 58 percent and for pre-Vietnam almost 73 percent. We can see the sense of patriotism is not enough, if we consider that older veterans were more satisfied, even though less social programs were available to them. Taylor et al., *The Military-Civilian Gap*, 55.

¹³⁰ Though this number seems enormous, it is small compared to overall number of veterans - over 20 million. "Employment status of the civilian population 18 years and over by veteran status."

¹³¹ "Employment Situation of Veterans Summary."

¹³² Moreover, of all disabled veterans, 32 percent was hired by the federal government in during this period. 46 percent work as blue collar, technical or professional, 43 percent in administrative. "Employment of Veterans in the Federal Government: Fiscal Years 2006 to 2011," Department of Veterans Affairs, accessed June 2, 2013, http://www.va.gov/vetdata/docs/QuickFacts/Homepage_opm_vets_quickfacts.pdf.

¹³³ Especially when government jobs tend to be more stable and brings often more benefits than similar jobs in private sector.

in life and job, by not only by obtaining or improving their skills and education, but also by giving them confidence and sense of maturity.¹³⁴

3.2 Educational attainment

As a HSD or its equivalent has been a minimal entry requirement to join the military since the introduction of the all-volunteer force, almost 100 percent of veterans have at least a high school diploma, compared to some 85 percent of civilians. But, as the DOD data shows, not all of the applicants have had that level of educational attainment when applying. This is true despite the fact that the percentage of HSD or equivalent holders has been rising gradually until now, apart from two periods in late 1970s and 1990s.¹³⁵ Thus, the military has had to assist with several educational programs, such as the GED Plus program. These programs helped hundreds of thousands of prospective service members to get a HSD or GED, thus fulfilling the necessary criteria and overtaking their civilian (non-veteran) peers. But these programs have been decreasing their activities in recent years, because from 2007 the proportion of HSD holding recruits increased from 85.1 to 98.1 percent in 2011, without the help of military programs.¹³⁶ The reason for that is identified as an influx of middle class recruits, and is fully explored in the last chapter. Thus, the military has had the option to drop the programs, since its quotas are getting met without additional expenditures.

It is certainly unfortunate that the least educated are losing access to enlisting in the military forces. Yet, there is also a positive side. It is true that there is high proportion of high-school diploma holders, yet less than 10 percent of enlisted men (resp. without officers and warrants officers) have more than a high school diploma.¹³⁷ During the past five years, on average only 4.7 percent of enlistees have had a bachelor's degree when joining the force. But when leaving active duty, almost

¹³⁴ Paul Taylor et al., *The Military-Civilian Gap*, 47-48.

¹³⁵ Reasons behind those are explained in the fourth chapter.

¹³⁶ "Non-Prior Service (NPS) Active Component Tier 1 Enlisted Accessions by Service with Civilian Comparison Group, FYs 1973-2011," Department of Defense, accessed June 2, 2013, http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2011/appendixd/d_07.html.

¹³⁷ "Army Demographics," The U.S. Army, accessed September 30, 2012, http://www.usarec.army.mil/support/downloads/FY11_ARMY_PROFILE.pdf.

11 percent of them held bachelor's degree, thus showing the impact of the TA programs.¹³⁸ The biggest additional value of military service, however, is the GI Bill. Since 2001, more than half a million veterans have used the GI Bill, with another two million veterans who currently use it or are eligible and have not yet used it.¹³⁹ And the chances are that most of them will try to attend college, as the previous chapter showed the rising trend in its usage. On average, always more than half of former military personnel attempt to acquire higher education.¹⁴⁰

On average, veterans from all periods have higher educational levels than the average population. Recent BLS data shows that veterans and non-veterans in general, have almost the same percentage of college graduates - 27.2 to 27.1 percent. But in terms of some college or an associate's degree it is 33 to 28 percent. The data also shows that with each (war) time period, educational attainment of veterans has risen steadily since the Second World War.¹⁴¹ This goes along the rise of educational benefits. But currently, the Second Gulf War era veterans have lower educational attainment than their predecessors - when looking at college graduates. However, this will change in next few years, as all of the expected Second Gulf War era veterans go through the available educational programs, where almost a million are now enrolled. Currently, 37 percent of veterans under 30 are full time students, while another 8 percent go to school part time.¹⁴²

Finally, statistics show that higher educated people are more prone to marry other educated people. "Long a nation of economic extremes, the United States is also becoming a society of family haves and family have-nots, with marriage and its rewards evermore confined to the fortunate classes."¹⁴³ So, the more education that

¹³⁸ Department of Defense, *2011 Demographics*, 38-39.

¹³⁹ Libby Sander, "Out of Uniform."

¹⁴⁰ The data is for those entering the military reductions after the end of the Cold War. Meredith Kleykamp, "Where did the soldiers go? The effects of military downsizing on college enrollment and employment," *Social Science Research* 39 (2010): 485.

¹⁴¹ "Employment Situation of Veterans."

¹⁴² Paul Taylor et al., *The Military-Civilian Gap*, 57.

¹⁴³ "Less than 10 percent of the births to college-educated women occur outside marriage, while for women with high school degrees or less the figure is nearly 60 percent." Jason DeParle, "Two Classes Divided by 'I Do'" *The New York Times*, July 14, 2012, accessed January 24, 2013, http://www.nytimes.com/2012/07/15/us/two-classes-in-america-divided-by-i-do.html?pagewanted=all&_r=0.

individuals have, the more likely they will tend to stay in this stable social institution, which neoliberals so much adhere. This issue is further examined in the next part.

3.3 Quality of family life

In the last two decades, the progress in the military was not only gauged in terms of technological advances, but also in terms of social and family policies. Benefits expanded and moved from service members to veterans and their families. The reason for that was more strategic than altruistic, because a safe and stable family environment increases psychological endurance for service members. So, while stable married families are becoming scarcer in the United States, the military families follow a different trend.

According to available DOD data, since the introduction of the all-volunteer force until 2007, mostly unmarried recruits were joining the armed forces. That is logical, as recruits tend to be very young. When compared to civilian peers, however, interesting facts emerge. In this period, unmarried status for civilians rose from 65 to 88 percent, while married status decreased from 34 to 12 percent. But for the recruits, the married status rose from 8 to 10 percent, while unmarried status declined from 92 to 90 percent.¹⁴⁴ This trend correlates with the continuing expansion of benefits, assuming they function as a motivation for married couples.

The assumption that the military has good family policies can be further supported by marriage status data for service members. As the percentage of marriages on average rises from the app. 10 percent when entering the service, to almost 60 percent when leaving it. And that is more than in general population of their peers over the past decade.¹⁴⁵ Overall, according to extensive research by RAND Corporation, "not only are most service members currently married, but those who are unmarried enter marriage at higher rates than comparable unmarried civilians, suggesting that the modern military offers incentives that actually encourage

¹⁴⁴ This is measured only at the date of entering the military and for age groups 18-24 years. The biggest rise of married status was in the Army, from 10 percent in 1976 to 16 percent in 2007. "Non-Prior Service (NPS) Active Component Enlisted Accessions by Marital Status and Service with Civilian Comparison Group, FYs 1976-2007," Department of Defense, accessed March 13, 2013, http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendix/d_06.html.

¹⁴⁵ Patricia Robey, *Contemporary issues in couples counseling a choice theory and reality therapy approach* (New York : Routledge, 2012): 80.

marriage."¹⁴⁶ And why wouldn't it. It creates safe environment for establishing family - free or very affordable medical care, housing, day-care, counseling services, commissary system, financial stability, vocational rehabilitation etc. And all of those things are increasingly harder to achieve in civilian life.¹⁴⁷ There is also another positive social aspect of serving in the military, because according to recent research: "military children tend to realize better academic performance, higher scores on IQ and achievement tests, and lower rates of delinquency and incarceration when compared to civilian children."¹⁴⁸

This trend surely looks positive, but there is another variable that needs to be examined - divorce rate. On average, the divorce rate for all veterans is the same as for the civilian population. For example, in 2001 it was even strongly below national average - with 2.1 and 3.2 percent respectively.¹⁴⁹ With the incoming Second Gulf War veterans, however, it rose slightly above average. In 2010, the average divorce rate was 3.4 per 1000 population, while in the military community it stood at 3.7.¹⁵⁰ But with the recent decrease in war activities and most importantly time, this number will probably drop to a much lower level, as numbers for older veterans show. Currently, almost half of the post-9/11 veterans said their deployment made it hard to connect with family, which is the reason of the increased divorce rate. But, to mitigate that, the military provides generous compensation to bolster the stability of military families. As 60 percent of the post-9/11 veterans admitted, their family financially benefited from the rise in pay and additional benefits that came with the service, especially when deployed, as there is: "Hazardous Duty Incentive Pay, Imminent Danger or Hostile Fire Pay and a cash bonus if they re-enlist while serving in a combat zone. In addition, they do not have to pay federal income tax on their military earnings while serving in a combat zone."¹⁵¹

¹⁴⁶ Benjamin Karney and John Crown, *Families Under Stress* (Santa Monica: RAND Corporation, 2007), 161.

¹⁴⁷ We can take example from the Army, where only 14 percent of soldiers were married in 1971, but by 1986 that percentage grew to 73 percent. This spike occurred after introduction of major benefit programs, as explained in the fourth chapter. James Webb, "The Military is Not a Social Program."

¹⁴⁸ Jerry Novack, "Military Dads and Fatherwork," in *Families: Traditional and New Structures*, ed. Paul McCaffrey et al. (Ipswich, MA : H.W. Wilson, 2013), 89.

¹⁴⁹ Natasha Burton, "Military Divorce: What It's Like To Split From Your Military Spouse," *The Huffington Post*, May 28, 2012, accessed November 1, 2012, http://www.huffingtonpost.com/2012/05/28/military-divorce_n_1537598.html.

¹⁵⁰ "Marriage and Divorce," Centers for Disease Control and Prevention, accessed November 18, 2012, <http://www.cdc.gov/nchs/fastats/divorce.htm>.

¹⁵¹ Paul Taylor et al., *The Military-Civilian Gap*, 35.

Someone might argue that the higher proportion of married men and women in service is not the result of the U.S. military's social programs and its emphasis on healthy family life, but it is given by the fact that most of the people who choose to serve in the military are more patriotic and traditional. It might be so; we can never discover this, as it is a very private matter. But it can definitely be argued that the all-volunteer system has been increasingly attracting young enlistees who are married or wish to marry, most probably because of those family-friendly benefits mentioned earlier.¹⁵² From that, we can assume that the military programs provide great incentives for service members to adopt and adhere to social norms that under neoliberal paternalism are perceived as positive, and even crucial to be a good citizen – a stable marriage and family.

3.4 Awareness

In addition to the explored issue of the military's social programs impact, the national survey by the DVA in 2010 showed that the usage of the military's benefits programs actually did not fully reflect the true demand. It was revealed that many veterans weren't aware that certain benefits were available to them or they did not know eligibility and enrollment criteria.

Of all programs, the highest usage was surprisingly for the DVA's *Home loan guarantee* programs, as 66 percent of veterans used that benefit. Around 40 percent used DVA education programs, while another 15 percent used some sort of vocational rehabilitation. Close to 30 percent used the health-care (as a primary source of insurance) and 8 percent of them were covered by the DVA's *Life insurance program*.¹⁵³ As stated above, the programs are not used to their full potential due to several factors. Around 30 percent of veterans did not have knowledge of the home loan program, while 36 percent were not aware of the education and training benefits. Almost 30 percent did not know how to apply for vocational rehabilitation and 42 percent of respondents weren't aware of the health-care benefits. At last, a staggering 65 percent did not know about the life insurance program. It is important to

¹⁵² James Webb, "The Military is Not a Social Program."

¹⁵³ Data for that given year. "Veteranas Surveys and Studies," Department of Veterans Affairs, accessed March 26, 2013, <http://www.va.gov/vetdata/docs/QuickFacts/Surveys-slideshow.pdf>.

differentiate the lack of knowledge among various groups of veterans. The data shows that more than 60 percent of veterans who enlisted after 9/11 were aware of most of the programs, compared to 50 percent of those who served during the 1990s. Veterans who served between the Second World War and the late 1980s had the lowest level of awareness (of the post 9/11 programs), which fluctuated around 40 percent.¹⁵⁴ Therefore, older generations of veterans who were not enlisted when these programs were launched had a much lower awareness of their eligibility, unlike those serving in the recent decade when these programs were introduced. If we expand this conclusion, we can say that as more programs and benefits were introduced during or before their enlistment, the more knowledgeable veterans were of these programs. Therefore, it could be argued that they were drawn to join or remain in the military increasingly because of these programs..

Therefore, with the new (and well informed) veterans currently enrolling into various military social programs after the withdrawal from Afghanistan and Iraq, the increased usage will further increase the impact on their education, job attainment and family life. As this chapter presented impacts of the social programs, the fourth chapter will examine their beneficiaries.

3.5 Future changes and prospects

As the wars in Iraq and Afghanistan are coming to an end, the size of military forces will, logically, be reduced. That does not impact this thesis, as it is about the quality and magnitude of the benefits provided toward the individual ADPs and veterans, rather than about the total number served. The officially proposed reduction for next year (2013) is - for the Army to 490,000 from the peak in 2010 of 570,000; the USMC will be reduced from 202,000 to 182,000. And despite such huge reductions of these branches, their numbers will still be greater than in 2001. Other branches, given their smaller numbers, will be reduced much less.¹⁵⁵ Overall, all branches should be at 2005 levels.¹⁵⁶

¹⁵⁴ Ibidem.

¹⁵⁵ Department of Defense, *Defense Budget Priorities and Choices* (Washington DC: Department of Defense, 2012), 11, accessed June 18, 2013, http://www.defense.gov/news/Defense_Budget_Priorities.pdf.

¹⁵⁶ Anna Mulrine, "Pentagon budget."

More importantly, support for social policies and programs within the military community can be seen in all official proposals for the new 2013 federal budget and beyond, despite their focus on reductions in defense spending. As already explained, military compensation accounts for about a third of the total budget, but the scope of their reduction won't follow the general pace of reductions in procurement and other parts of the budget, and will make only about 1/9th of the total budget reductions.¹⁵⁷ Therefore, when mixed with the planned reduction of forces, it suggests that the military benefits would become even more generous. In this regard, the military plans to increase military pay in 2013 and 2014, in order to copy the pace of private sector salaries. Only in health-care, where costs witnessed the most rapid growth from all other military social programs, the proposed changes include slightly increased financial participation of retirees under 65 of age for the TRICARE Prime program.¹⁵⁸

In general, military benefits and salaries are and will continue to be the most difficult to cut from the federal budget. There is a general reluctance to implement austerity measures as is happening in the civilian sector for those who serve to defend the country. Moreover, there is a strong veterans lobby in Washington to oppose such changes. The most visible is the *Military Officers Association of America*, which is a 380,000 member strong organization that lobbies in favor of active and retired military personnel, especially in the area of their benefits.¹⁵⁹ Others include the smaller, yet also influential *Iraq and Afghanistan Veterans of America*, *America Legion* or *Save Our Benefit Coalition*.

¹⁵⁷ Department of Defense, *Defense Budget Priorities and Choices*, 14.

¹⁵⁸ *Ibidem*, 15.

¹⁵⁹ "Mission and History," MOOA, accessed July 7, 2013, http://www.moaa.org/Main_Menu/About_MOAA/Mission_and_History.html.

Chapter 4 - The military program's beneficiaries

The previous chapter described historical development and the current face of the military's social system, together with its impacts on its recipients. But, who are those recipients? According to the theory, those should be mostly the ones who fell through the safety net of the current American social system, respectively those on the lower end of the socio-economic pyramid. But, as this chapter points out, that is increasingly not the case.

4.1 The military used as a social program

The issue of perception of the military's social programs has been partially explored in the beginning, showing how the American public sees these benefits just as a reward for service or, in many cases, don't know about them at all. Still, another point of view needs to be examined. And that is how ADPs and veterans perceive those benefits. It was already established that being a social program is not the military's primary function. Despite this, as we've seen the nature and scope of benefits available to veterans and ADPs grow, it could be *utilized* as one. Many, if not most, join the military because of a sense of patriotism. Yet, the scope of social programs goes beyond the average job benefits (resp. if we don't look at companies like Google etc., with their rich pallet of benefits). Moreover, as health-care and education are becoming unaffordable to more and more people in the United States, this assumption shouldn't be discarded without thorough examination.

In this regard, the recent study "*The Military-Civilian Gap: War and Sacrifice in the Post-9/11 Era*" by the Pew Research Center (PRC) provides useful data. One of the perspectives examined, when looking at the character of current military life, were the incentives for joining the military. For that purpose, two groups of veterans were created: those serving after the all-volunteer force emerged in 1973, and veterans who served only after 9/11. Not surprisingly, "patriotism and serving the country" was the prime reason to join the military in both groups. Yet, the 9/11 veterans cite patriotism

less as the primary reason - 88 compared to 93 percent for the pre-9/11 group.¹⁶⁰ And that is in a time when the country is fighting two wars. In the context, it implies that the rise of benefits correlates with the decrease of patriotism as the primary reason to join the armed forces. The PRC study confirms this trend. "Recent veterans are more likely than those from earlier eras to say they joined to get educational benefits (75% vs. 55% say it was an important reason)."¹⁶¹ Another important discovery was that: "slightly more than half of all veterans say a big reason they joined the military was to acquire skills for civilian jobs, a view shared by 57% of post-9/11 veterans and 55% of those who served in an earlier era."¹⁶² That further bolsters the position of benefits as one of the main drivers behind current enlistment.

Moreover, there are differences between the character of veterans - enlisted personnel and officers. On average, the military recruits around 200,000 enlisted personnel and around 20,000 commissioned officers annually. There is strong education gap, as almost all officers are college graduates, and they seek military service as full time and long-term job. Opposed to that, the majority of enlistees usually plan to fulfill the minimum duration of service requirement. Generally, enlisted soldiers have only a HSD or its substitute, and their joining is mostly connected to benefits they could use afterwards.¹⁶³ On average, enlisted personnel are significantly *more* likely than officers to cite education benefits as an important reason they joined the military (61 vs. 42 percent). Given the lower educational status and reasons for joining, enlistees are also *more* likely than officers to enlist because of the lack of civilian jobs (26 vs. 14 percent).¹⁶⁴ The last thing is that most enlistees, who represent 83 percent of the force, serve on active duty the required minimum of two to three years (depending on the branch) and then switch to the reserves, where

¹⁶⁰ Still, these results have to be processed with caution, as respondents might tend to overstate their actual state of patriotism, as it should be the key aspects of military service. Thus, the actual numbers could be even lower.

¹⁶¹ This counters the argument that the positive impact of military's educational programs is questionable, as most people who wanted to attend college would do so; that the military programs did not force that decision on them. That could be, but the question is: would they be able to afford it, if they did not enlist?

¹⁶² Paul Taylor et al., *The Military-Civilian Gap*, 33.

¹⁶³ David Segal and Mady Segal, "America's Military Population," *Population Bulletin* 59 (2004): 8.

¹⁶⁴ Paul Taylor et al., *The Military-Civilian Gap*, 33.

they can utilize the desired benefits while pursuing an education or a job in the civilian sector.¹⁶⁵

Besides the benefits, another aspect might contribute to the perception of the military being used as a social program. Despite two wars being waged, and their extensive media coverage, people know little about the military. There is little direct contact with the realities of war. The nation did not have to convert to war economy, and given the distance from the battlefields, society was largely spared the atrocities and casualties of those wars. Thus, younger people might not see the dangers in enlisting. But, are they really high? American wartime fatalities during the First and Second World Wars ran high: around 53,000 and 291,000, respectively. In Korea this number stood lower at 33,000 and in Vietnam rose to 47,000. But, during the First Gulf War, only 147 service members lost their lives. The First Gulf War was then followed by ten years of peace. As it is mentioned in the second chapter, in the last twenty years, a warfare paradigm shift occurred. As military technologies developed, the strategies of combat have changed to smaller scale fights. Together with professionalization, it meant a significant reduction of losses for the U.S. military. Up to now, the Iraq and Afghanistan wars have claimed 6,000 lives over a more than ten years period. When compared to the human capital dedicated by the military over this period (2.5 million), the chances of being killed have been very low.¹⁶⁶ It can be assumed that it increases the desirability of the military service, besides the benefits. It is also probably safe to assume than much less people would voluntarily enlist if the current wars were waged as the jungle warfare in Vietnam, even if benefits were much higher.

¹⁶⁵ On average, after two to three years on active-duty, 4 more years follow in reserves. Goldberg et al., *Costs of Military Pay*, 26.

¹⁶⁶ But there were comparatively more soldiers wounded in action who survived, to be sure. Chris Adams, "Millions went to war in Iraq, Afghanistan, leaving many with lifelong scars," *McClatchy*, March 14, 2013, accessed March 16, 2013, <http://www.mcclatchydc.com/2013/03/14/185880/millions-went-to-war-in-iraq-afghanistan.html#.UdLkFCsY2ug>.

4.2 Better background, less likely to join. Or is it?

As we answered *why* people tend to join the military, we need to go further with the proposed theory and examine *who* is likely to do so. According to data from the Population Reference Bureau, the propensity to serve is tightly connected to several factors: "the level of education of parents (children of college educated parents are less likely to serve), high school grades (those with higher grades are less likely to serve), college plans (college students are less likely to enlist), race and ethnicity (African Americans and Hispanics are more likely/willing to serve than whites)."¹⁶⁷ According to that, the worse off someone is, the more likely he or she would enlist. That would imply that those who fall through the federal or state social system (respectively through the doughnut hole) would seek "refuge" in the military. As the rest of the chapter will show, it was valid only in the first decade of the all-volunteer force. But first, let's look at the issue from the perspective of minorities, the most likely group to seek the military service.

4.2.1 Minorities and their approach

According to University of Michigan's "*Monitoring the Future (MtF)*" study, since 1975 the "African American men and women have had higher levels of positive propensity to serve than have white men and women."¹⁶⁸ As a result, since the introduction of the all-volunteer force, African-Americans were highly overrepresented among the new enlistees, as shown later in the chapter. Moreover, their choices among military branches have shown the propensity to choose enlistment programs with the shortest period of service and lowest standards for qualifications (while providing the same benefits as other branches). Usually, that choice was the Army. Furthermore, within the Army, the statistics point out an interesting fact. African-Americans, more than any other racial group, tend to choose positions within the service that might be much more useful when returning back to civilian life - such as administrative positions or skilled trades, such as mechanics,

¹⁶⁷ Segal and Segal, "America's Military Population," 1.

¹⁶⁸ *Ibidem*, 9.

logistics etc.¹⁶⁹ Of course, the reasons behind such decisions are utterly individualistic, yet the aggregate data point out a clear trend - a demographic group that has been known for its most positive attitude towards military service, while having background encouraging propensity to enlist, seeks occupancies that would serve as later means of social mobility, with further help of many military benefits.

In accordance with the set trend, another study showed that African-Americans, compared to all racial groups, are more likely to evaluate the quality and services of the health-care provided by the military (when using it later as veterans) negatively. The reason can be explained quite simply: unlike other groups, African-Americans are most likely (almost three quarters of them) to use military health-care as the primary source of care. The other groups are more likely to use some of the health-care services or use them only as a back up, thus showing the social implications of military service for this demographic group.¹⁷⁰

4.2.2 Initial surge of minorities and drop of benefits

Now that we have established the general reasons for enlisting and the likely demographic group that would do so, this part examines the second hypothesis; whether the professionalization has hindered the chances of disadvantaged groups to get in. And if not, what other factors have played a role. First, we should look at the historical presence of disadvantaged groups in the military.¹⁷¹

On a more general level, let's look at the demand for positions in the military. Given the characteristic of preceding conscription, we cannot measure "would-be desire" to join the military and compare it with later applications to the all-volunteer force. However, it is simple to see the rising immediate demand right after the shift to an all-volunteer force. The DOD statistic about numbers of applicants show that there

¹⁶⁹ The military actually supports minorities to take administrative position for political reasons: since the Vietnam War it has tried not to be perceived as a institution which sends colored men to kill other colored men, who then die "disproportionately" to their overall share in population. Ibidem, 19-20.

¹⁷⁰ Nathaniel Rickles and Hortensia Amaro, "Perceptions of Healthcare, Health Status, and Discrimination Among African-American Veterans," *Journal of Health Disparities Research and Practice* 4 (2010): 56.

¹⁷¹ Disadvantaged groups mean people who fall through and are often penalized by the national social system, mostly racial minorities and the least educated.

was a strong supply of prospective recruits in the first years of the professional military - in 1976 there was 609,000 applications for 282,000 openings. One year later, it was 762,000 applications against 300,000 positions. This dramatic increase might be associated with newly introduced military benefits and low entry requirements. But between 1979 and 1980 there was a significant drop in applications, despite the number of available position corresponding with previous years. Applications increased again in 1982, but the trend since then was a gradual decrease of available positions (thanks to professionalization and end of the Cold War), with a corresponding decrease in the number of applications. Thus, the ratio of enlisted accessions to applicants rose from 0.465 in 1976 to 0.537 in 2007.¹⁷² Therefore, the long-term continuing increases in military benefits did not cause an increase of applications, but rather changes in the demographic composition of the applicants, as shown below.

And how does this trend correlate with the inclusion of disadvantaged groups? Statistics by the DOD support the established theory, at least for the 1970s. Since 1973, the percentage of African-Americans in the military grew from 12 to app. 25 percent in 1980. And if we take only the Army, the share stood at almost 35 percent. Since then, however, the overall share was gradually decreasing until the beginning of the 1990s, when there was quick drop down to 19 percent. During that decade, however, their share was slowly rising up to a peak of 23 percent in 2001.¹⁷³ Right after 2001, there was quick decrease of 2 percent as a result of the influx of new recruits after 9/11.¹⁷⁴ The percentage of Hispanics in the military followed a similar pattern. Their share rose from 2 percent in 1973 to 6 percent in 1980. After a little drop in 1981 it fluctuated around 4 percent until 1990. Since then, it increased to 10 percent in 2000.¹⁷⁵

¹⁷² The data are measured since 1976. "Ratio of Non-Prior Service (NPS) Active Component Enlisted Accessions to Applicants, FYs 1976-2007," Department of Defense, accessed July 3, 2013, http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendixd/d_03.html.

¹⁷³ This trend of increased minority representation was followed with another trend - drop of marriage rate. As known, minorities (with the exception of Asians) have lower marriage rates and higher divorce rates than the average population. With enrollment into the military, minority members improved their chances of improving this grim situation. Unfortunately, as recruitment data for following decades show, this would happen less and less. Department of Defense, *2011 Demographics*, 47.

¹⁷⁴ Segal and Segal, "America's Military Population," 19.

¹⁷⁵ *Ibidem*, 23.

Overall, if we compare the share of minorities in the military to their respective share in the general population, we can see a clear trend. Since the introduction of all-volunteer force and various benefits, the number of minorities rose sharply, making the minorities heavily overrepresented. In 1980, African-Americans constituted 11.1 percent of the US population, but 25 percent of the armed forces. For Hispanics it became equilibrium at 6 percent, as they were previously underrepresented. Since the 1980s, the share of African-Americans was approaching their national proportion, but it was still more than 5 percent above the general population. It rose again in the late 1990s to 23 percent in the military and 12.3 percent in the general population in 2000. Proportions of Hispanics and Asians closely followed their respective national proportions, with overrepresentation at a max. of 1 percent.¹⁷⁶

Currently (2010), the racial profile of the U.S. Armed Forces reflects the general population more than it did in past four decades. African-Americans are still overrepresented, having 18.2 percent in the military and 12.6 percent in the general population. Whites are underrepresented, as they constitute 69.2 percent of forces, but 72.4 percent of the general population. Hispanics and Asians have an almost similar share in the military and general population - 16 and 3 percent, respectively. The percentage of African-Americans will most likely stay the same or decrease in the future, due to the military's policy on racial proportionality. Even during the period of 2006 and 2007, when there was a major need for new recruits, given the poor state of both wars, it did not cancel its minority proportion limits in order to reflect the society.¹⁷⁷ The initial influx of minorities into the military is now reflected in the veteran population, as the proportion of minority veterans starts to grow. It is a result not only of desegregation or conscription for war in Vietnam, but mainly higher participation after the professionalization in the 1970s. Currently, African-Americans constitute 11 percent of veteran population, but will be 17 percent in 2040. And they will constitute an important part of this population, given their approach towards the veteran benefits. For Hispanics, the numbers stand at 6 and 11 percent, and for other races 3 and 6 percent, respectively.¹⁷⁸

¹⁷⁶ "Census data 1970-2010" The United States Census Bureau - Interactive statistics, accessed March 7, <http://www.census.gov/popest/data/historical/index.html>.

¹⁷⁷ Shanea Watkins and James Sherk, *Who Serves in the U.S. Military? The Demographics of Enlisted Troops and Officers* (Washington DC: The Heritage Foundation, 2008), accessed October 27, 2012, <http://www.heritage.org/static/reportimages/3E59D41279449CAB99F8C7CF54E02351.gif>.

¹⁷⁸ "Veteran Population Projections: FY2010 to FY2040."

This part of the chapter showed how minorities, especially African-Americans, who perceive the military the most as a social program, have increasingly used the military since the 1970s, but their numbers have dropped ever since (with the exception of the 1990s). The reasons behind this shift are examined in the next part.

4.3 Bigger benefits and better applicants

Since the switch to an all-volunteer force, the military has required a high school diploma (HSD) or equivalent as a minimum entry requirement. Yet, it took several decades to achieve almost 100 percent of applicants meeting this requirement prior to enlistment. Official DOD data depicting accessions with HSD from 1973–2000 show that the first year actually meant a decrease from 65 to 55 percent of HSD or equivalent holders. If we connect that with the initial rising minority share, we can see how at first the new opportunity to receive benefits attracted a lot of people without having the qualification. That was not a problem, since military offered programs to obtain a HSD.¹⁷⁹ Later, however, the rise in benefits also started to attract more educated candidates. The percentage of HSD holders rose to 75 percent in 1982. Still, the military wasn't satisfied with unexpectedly low education levels (as it had to pay to raise them), lower test scores and increasing minority representation. As a result, in 1979, some of the benefits, including those for education and food stamps, were decreased in order to discourage those enlisting just because of them (such as minorities, as shown above). But that was not the result. A significant drop in educational attainment of recruits followed immediately and continued until 1981. For example, the Army's HSD applicants dropped from 75 percent in 1978 to 50 percent in 1980. Other branches followed a similar pattern, yet on a smaller scale.¹⁸⁰ This highly correlated with the fact that in the same period (1979-1981), even more minority enlistees entered the military. To have a more precise picture, numbers can support the above-mentioned trends. In the first two years of the all-volunteer force,

¹⁷⁹ For example programs supporting delayed entry, night classes or covering fees to obtain HSD equivalent, such as the GED programs.

¹⁸⁰ "Non-Prior Service (NPS) Active Component Enlisted Accessions with High School Diplomas by Service with Civilian Comparison Group, FYs 1973-2007," Department of Defense, accessed March 14, 2013, http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendixd/d_07.html.

applications from African-Americans grew from 69,000 to 80,000, but were slowly decreasing to 51,000 in 1978, just to increase to 79,000 in 1980. Hispanics, on the other hand, fluctuated around 20,000 applicants annually for the entire decade.¹⁸¹ We can learn two things from that. It proved that since the beginning of the all-volunteer force, benefits were the driving force behind enlistment. Secondly, the better the benefits, the less minority applicants got in. As more educated non-minority candidates applied and were accepted. Thus, the reduction of benefits, paradoxically, meant an increased share of minorities getting in due to lower competition when applying in the late 1970s.

As a reaction, the U.S. military officials were considering returning back to the draft, but quickly abandoned the thought. Instead, several changes were adopted. In order to attract a better pool of candidates, the military introduced the new GI "Montgomery" Bill and a rich host of other benefits in 1981. Benefits such as additional college funds, increased military pay and several policies aimed at improving life of service members.¹⁸² As the DOD data shows, since 1982 the number of HSD holders grew steadily again, while there was a decrease in minority accessions. From the stated 80,000 African Americans enrolling in 1980, only 58,000 were accepted in 1981 and 54,000 in 1982, due to tougher competition.¹⁸³ But even though the benefits were increasing gradually until 2001, the number of HSD holders rose steadily only until 1992, when the proportion of HSD holders started to fall again.¹⁸⁴ What happened?

Given the timing, we might assume that the rising economic prosperity during the first and mainly second Clinton administration decreased the need for prospective applicants to go through military service to obtain things, such as an education etc., as it was easily obtainable in the civilian sphere.¹⁸⁵ An improving economy and the

¹⁸¹ "Non-Prior Service (NPS) Active Component Enlisted Accessions by Race/Ethnicity, FY 1973-2002," Department of Defense, accessed March 14, 2013, http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendixd/d_23.html.

¹⁸² The HSD holders were decreasing mainly in the Army and the Navy, where service is less demanding and shorter than in other branches.

¹⁸³ "Non-Prior Service (NPS) Active Component Enlisted Accessions by Race/Ethnicity, FY 1973-2002," Department of Defense, accessed March 14, http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendixd/d_23.html.

¹⁸⁴ "Education."

¹⁸⁵ "United States - Annual GDP 1990-2012" Statista, accessed April 13, 2013, <http://www.statista.com/statistics/188105/annual-gdp-of-the-united-states-since-1990/>.

reduction of education levels of enlistees closely correlated with above-mentioned fact, that during the 1990s there was small but steady rise of minority enlistees until 2001. For example, in 1991 app. 15,000 Hispanics enlisted, but in 2001 it was almost 20,000. Numbers for African-Americans were 33,000 and 35,000, respectively.¹⁸⁶ But as the part about racial proportionality in the military showed, the actual minority share was still below the 1970s and 1980s numbers. From 2001, when there was a significant increase of benefits, the minority share remained the same until 2008, which might be contributed mostly to policies for racial proportionality within the armed forces.

So what has been the role of professionalization with regard to inclusion of disadvantaged groups? From 1973 until today, a HSD or equivalent has been necessary to enlist. But, as we have seen, not all enlistees fulfilled this requirement. The military has had to educate those enlistees in order to fulfill its recruitment criteria. In the very beginning, all branches had a very different proportion of HSD holding applicants - with 45 percent for the USMC, 58 percent for the Army, 70 percent for the Navy and 85 percent for the Air Force. It reflected the different job demands back then, with the branches needing to fund education of applicants in order to fulfill the internal standards. During the past four decades, the professionalization meant that jobs across the branches became increasingly demanding due to advancements in military technologies and operations. Nowadays, almost 99 percent of applicants to military have a HSD or equivalent.¹⁸⁷ But as this chapter showed, the key variables determining the inclusion of disadvantaged groups, such as minorities and the least educated (which often correlates), were the scope of benefits and performance of the national economy. They determined the number of high quality applicants that represented tough competition to disadvantaged groups and decreased their representation. Moreover, they determined how many applicants from the disadvantaged groups would be helped through some of the HSD or GED educational programs, in order to keep up with the professionalization. Increasing benefits meant lower inclusion of disadvantaged groups, but not always, as strongly

¹⁸⁶ For Hispanics number rose from 15000 in 1990 to 20 000 in 2001, while for African-Americans it was from 33 000 and 35 000, respectively. "Non-Prior Service (NPS) Active Component Enlisted Accessions by Race/Ethnicity, FY 1973-2002."

¹⁸⁷ GED plus - to let around 6000 people enlist with low GED or no educational credential, if their quality is assessed as good. "Non-Prior Service (NPS) Active Component Enlisted Accessions with High School Diplomas by Service with Civilian Comparison Group, FYs 1973-2007."

improving economy helped to lower the competition for positions in the armed forces. Finally, as the next chapter will show, rising benefits combined with major economic downturn, severely impacted the least educated applicants and to some extent even minorities. But, more importantly, it dramatically changed the socio-economic composition of recruits as the middle class suddenly desired to enlist in the military. Why? Because of an inefficient social system.

Chapter 5 - Patriotic middle class?

The previous chapter established that as a result of professionalization, the scope of benefits and the performance of the national economy have been crucial indicators for determining who gets into the military. In the past five years, there was a broad change of the composition of enlistees and their reasons for joining the military. Deteriorating performance of the national economy reflects the grim situation of the American middle class, but not only in a strictly financial sense, as the reasons are more deep and complex. What is important, though, is that the military's social system is now in demand as it provides things which are becoming more unreachable even for the middle class: education, health-care, family support and in general, a means of economic mobility. This chapter describes how not only disadvantaged groups are falling through the safety net of the American social system, but the middle class as well. Both are seeking safe harbor - the U.S. Military - with only the latter succeeding.¹⁸⁸

5.1 Rich "GI Joes"

The proposed theory states that, while the American social system is highly selective and many "welfare" people fall through it, they could try their fortune and "redeem themselves" in the U.S. military. Thanks to professionalization, the US military has erected its own social system. The previous chapter showed how that was valid mostly in the beginning of the all-volunteer force, and to a lesser extent in the 1990s. According to analysis of recent data, the middle class is now seeking a refuge there as well, especially after the economic crisis hit the United States in 2008. This shift was well reflected in the demographic composition of military enlistees, as there was a surge of young, mostly white and better-educated middle class members.

First of all, the data shows that between 2007 and 2010, when there was a surge in middle class recruits, it did have a racial component, not just a socio-economic one.

188 Middle class is understood as American household having annual income twice as big as the official poverty line, which was in 2009 set on 21 000 dollars. Thus having the average US income of 44,000 dollars. Palash Ghosh, "Income gap between rich and poor in U.S. at record high," *International Business Times*, September 29, 2010, accessed December 12, 2012, <http://www.ibtimes.com/articles/66809/20100929/income-gap-census-bureau-poverty.htm>.

Despite increases of forces due to the needs of wars, minority representation dropped sharply - on average by 7 percent for all branches.¹⁸⁹ That happened despite the fact that minorities were hit harder by the sudden economic downturn. Secondly, within this period, more people already possessing a HSD have been attempted (and succeeded) getting into the military. There was a quick rise in the percentage of HSD holders as applicants, from 85 percent in 2007 to 98.1 percent in 2011.¹⁹⁰ That allowed the military to decrease the scope of support programs for those applying without the sufficient education level.

The major aspect of the change, however, was that richer people were applying to the military. Unfortunately for researchers, the Department of Defense doesn't keep track of the financial background of its employees. But, this should not be a cause for concern, as there is a way to determine the desired answer. Reviewing the regions where service members come from, and assigning them the average household income of that particular area, will provide an approximation. Even though this method is not perfect, it provides a glimpse on the economic background of the armed forces. In the past five years, two studies have been conducted in this regard.

In a study done by the National Priorities Project, the results were surprising. In the most recent four years (2008-2012), slightly more than half of new recruits came from households from the top 50 percent of the population in terms of wealth. And during every measured year this percentage was rising by half a percent, so the new service members are on average getting richer. Overall, these results provided quite interesting visualization of how richer suburban (white) neighborhoods started to increasingly provide human capital for the armed forces.¹⁹¹ But, it is important to note that it depends on how big the measured areas are - with bigger areas distorting the results and producing lower average incomes of enlistees. For example, the Heritage Foundation did the same research but chose smaller areas. And based on the data gathered, it argued that actually more than 75 percent of people in the military come from households that make greater than 40,000 dollars, thus around the top 60 percent of society in terms of wealth.¹⁹²

¹⁸⁹ Department of Defense, *2011 Demographics*, 6 and 27.

¹⁹⁰ Moreover, in this period there was an unusual increase of enlistment age, suggesting military becoming option after depleting all other possibilities for education. *Ibidem*, 37.

¹⁹¹ National Priorities Project, "Military Recruitment 2010," *The NPP*, June 30, 2011, last accessed November 10, 2012, <http://nationalpriorities.org/en/analysis/2011/military-recruitment-2010/>.

¹⁹² Watkins and Sherk, "Who Serves in the U.S. Military?."

Still, we have to take into account that the method used distorts reality to some point, as it puts the average income of a particular area to all individuals living there. For example, 85 percent of blacks came from urban-neighborhoods in 2010, but those locations with high population density might vary dramatically in terms of income by individual neighborhoods. Specific neighborhoods are too small to be registered in those studies.¹⁹³ Nonetheless, the argument that the middle class is "joining the battle front" is valid. This shift does have a broader explanation and reflect structural problems within the American economic and political system ,and is examined in the following parts.

5.2 The Middle class in need of a mobility booster

Some economists classify the past ten years as a "lost decade" for the middle class.¹⁹⁴ The reason is that within this period, incomes of the middle class stagnated or rather declined a bit. But, the economy as a whole rose steadily up to the point when the mortgage crisis erupted. This highlighted the rising inequality within the American society, as incomes for the top classes increased by 18 percent in the last decade.¹⁹⁵

The recession caused a reduction of wealth for many Americans, mainly due to the fall in real-estate prices. Houses are typically the most valuable possession Americans have.¹⁹⁶ This reduction of wealth wasn't equal, as middle class households saw a reduction of 36.1 percent between the years 2007 and 2009, while the top 1 percent of the population saw a decrease of only 11 percent. There is also a difference between households of different races: for a white household, a house represents, on average, 70 percent of their wealth. For minorities (mainly African-Americans and

¹⁹³ National Priorities Project, "Military Recruitment 2010."

¹⁹⁴ Paul Taylor et al., *The Lost Decade of the Middle Class* (Washington DC: PewResearchCenter, 2012), 58, accessed June 12, 2013, <http://www.pewsocialtrends.org/files/2012/08/pew-social-trends-lost-decade-of-the-middle-class.pdf>.

¹⁹⁵ Mainly for people with lower education. Joseph Stiglitz, "Of the 1%, by the 1%, for the 1%," *The Vanity Fair*, May 2011, accessed May 2, 2013, <http://www.vanityfair.com/society/features/2011/05/top-one-percent-201105>.

¹⁹⁶ William Domhoff, *Wealth, Income, and Power*, Santa Cruz: University of California at Santa Cruz, last updated December 13, 2012, accessed January 24, 2013, <http://www2.ucsc.edu/whorulesamerica/power/wealth.html>.

Hispanics), a house represents almost 90 percent of their wealth.¹⁹⁷ The latter demographic group thus has bigger incentive to join the military, but as the previous chapter showed, it is not reflected in the enlistment statistics.

In general, in the last four decades, the gap between rich and poor Americans widened significantly. From 1985 to 2008, the inequality in the US grew most in comparison to other highly developed nations.¹⁹⁸ One of the reasons is the stagnation of median earnings. For example, the annual income of the bottom 90 percent has been practically stagnant since 1973, as it rose only 10 percent in real terms over the past four decades. On the other hand, the top 1 percent enjoyed a tripling of their income. Moreover, the stagnation was persistent even through the last economic growth. From 2002 to 2007, when there was a cycle of economic expansion in the US, wages for median Americans actually dropped by 2000 dollars annually.¹⁹⁹ For example, in 2005, the reported income in the US increased by 9 percent for the top 10 percent, but the bottom 90 percent had a slight decrease compared to 2004, dropping 172 dollars, or 0.6 percent.²⁰⁰

According to recently published OSCE (Organization for Security and Cooperation in Europe) statistics, in March 2012, the level of inequality rose in all of the member states. But the US is considered a country with almost the biggest socio-economic differences within the society, with Gini coefficient of 0.378. Only Turkey, Mexico and Israel are ahead in this regard. Among highly developed states, the US is in first place. The average of all member states is 0.314²⁰¹ with the most egalitarian being Norway, with a coefficient of 0.247. And, as we know, Norway is a highly developed social state - much like the U.S. military.

In order to gain a better perspective on the inequality, let us look at the top American earners. In 1980, top CEOs made approximately 42 times the pay of the ordinary worker, but in 2010 it was 324 times higher. In the same year, according to Standard&Poor's analysis, the top 299 CEOs of the 500 top companies earned

¹⁹⁷ Ibidem.

¹⁹⁸ OECD, *An Overview of Growing Income Inequalities*, 24.

¹⁹⁹ Edward Luce,, „The crisis of middle-class America,“ *Financial Times*, July 30, 2010, accessed May 2, 2013, <http://www.ft.com/cms/s/2/1a8a5cb2-9ab2-11df-87e6-00144feab49a.html#axzz15KtQCYy1>.

²⁰⁰ Note that this was in time of stable economic growth, before the economic crisis hit the US in 2008. David Johnston, “Income Gap Is Widening, Data Shows,” *The New York Times*, March 29, 2007, accessed January 7, 2013, <http://www.nytimes.com/2007/03/29/business/29tax.html>.

²⁰¹ "OECD StatsExtracts iLibrary," OECD, accessed February 20, 2013, <http://stats.oecd.org/Index.aspx?DataSetCode=INEQUALITY>.

collectively around 3.4 billion dollars, which represented pay of 103,000 workers with average wages.²⁰² Moreover, the data showed that since 2005 the top 300,000 Americans have enjoyed the same income as the bottom 150 million Americans.²⁰³

As the middle class was losing ground, salaries in the military followed an opposite trend. Over the past decade, service members saw their salaries rise much faster than those of their civilian counterparts, mitigating the past gap differences from the 1970s and then 1990s.²⁰⁴ Between 2002 and 2010, the average military salary increased by 42 percent.²⁰⁵ Currently, "the average enlisted soldier now earns more than 90 percent of Americans who have less than two years of college. Most Army captains — the third-most-junior rank of officer — will take home more than \$90,000 this year."²⁰⁶ But even for most junior enlistees (ranks below officers) the prospects are not bad. Even though the basic salary is 27 000 dollars, when put together with benefits for subsistence, housing, tax deductions, family benefits, free health-care and commissary benefits, the amount rises to an impressive 50,000 dollars a year.²⁰⁷ According to the CBO's analysis, median cash compensation for military personnel, including the tax-free cash allowances for food and housing, exceeds the salaries of most civilians who have comparable education and work experience."²⁰⁸

Moreover, while most employers in the private sector were decreasing benefits to their employees, that was not the case in the military. "Between 2001 and 2009, per capita spending on three major components of cash compensation for active military personnel rose by 37 percent in inflation-adjusted dollars," the CBO report said, citing basic pay and allowances for housing and subsistence.²⁰⁹ Therefore, by falling into a worsening economic situation, the middle class started to lose the means to afford

202 Vineeta Anand, "What Does Widening U.S. Income Gap Mean for Future of Economy, Americans?" *PBS Newshour*, May 6, 2011, accessed July 1, 2013, http://www.pbs.org/newshour/bb/business/jan-june11/incomegap_05-06.html.

203 Johnston, "Income Gap Is Widening."

204 Until 1970, the pay gap was significant and started to decrease since 1981, when decreasing down to 13 percent in 1999 and only 2 percent in 2010. Goldberg et al., *Costs of Military Pay*, 19.

205 *Ibidem*, 16.

206 Chandrasekaran, "Plan to shut military supermarkets."

207 Data are calculated based on 2012 pay criteria and for junior enlistee serving between 48 to 72 months. Goldberg et al., *Costs of Military Pay*, 5.

208 Loretta Lettner et al., *Reducing the Deficit: Spending and Revenue Options* (Washington DC: Congression Budget Office, 2011), 77, accessed May 20, 2013, <http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/120xx/doc12085/03-10-reducingthedeficit.pdf>.

209 *Ibidem*, 76.

many things. The biggest loss, education, which serves as a tool to socio-economic mobility, has been steadily slowing and conserving the inequality. According to the Department of Treasury, in the 1990s, around a half of the lowest fifth of population moved to the upper fifth, with the second lowest doing the same. But since then, this trend has slowed down.²¹⁰ It is therefore understandable that people who were "on the edge" of prosperity of the last two decades, are now choosing the military as an alternative route to a better socio-economic state, since they can receive skills, many benefits and most importantly - education.

5.3 Education

While incomes in the United States have been stagnating, the cost of education has been rising. Since 1990, the proportion of Americans who are paying off more than 20,000 dollars in student loans a decade after they graduated has almost doubled. That can stand behind the fact that the current young generation has lower graduation rates than their predecessors and the recent number of college graduates between 24-35 years does not put the country even among top 10 most developed countries.²¹¹

The rising costs of education and stagnating incomes create problems, especially for middle class. According to a recent Wall Street Journal poll, the annual amount of money parents save for college funds is declining steadily - from 20 thousand dollars in 2010 to 12 thousand dollars in 2012. Only 55 percent of people saving for college felt confident they could cover the costs. In the income bracket from 35,000 to 100,000 dollars, which could be defined as the middle class, 74 percent of respondents couldn't afford to save as much as they would need. Moreover, people earning below 35,000 dollars need to save more than 6 percent of their annual income, compared to 3 percent for higher income parents.²¹²

²¹⁰ Thomas Garrett, "U.S. Income Inequality: It's Not So Bad," *The Federal Reserve Bank of St. Louis*, October 2008, accessed May 6, 2013, <http://www.stlouisfed.org/publications/re/articles/?id=986>.

²¹¹ Still, it has one of the highest proportions of college graduates among the workforce. Luce, „The crisis of middle-class America.“

²¹² Melissa Korn and Rachel Ensign, "Families Saving Less for College," *The Wall Street Journal*, February 26, 2013, accessed May 3, 2013, <http://blogs.wsj.com/economics/2013/02/26/families-saving-less-for-college/?mod=e2fb>.

Given this situation, naturally more parents hope their children receive some sort of scholarship, which could ease the financial burden. But, there is increasing space for disappointment. According to student loan provider Sallie Mae, the average amount of governmental grants and scholarships for undergraduates fell 15 percent, from 7,124 dollars in 2010-2011 to 6,077 dollars in 2011-2012.²¹³ Still, despite the economic recession, many colleges have tried to keep their help on a constant level. Yet, the duration was longer than expected, and their funds began to dry. Thus, most of them were forced to raise the bar, both for need, and merit based scholarships. Even state universities, which were perceived as an affordable option for earning a college degree, are increasingly out of reach for lower middle class. Despite the fact that these colleges need to spend more on students and administrative costs, states across the US are reducing their education budgets. This causes an increase in tuitions, shifting the financial burden to parents and students.

Meanwhile, in the typical family, parents can afford to contribute less to their children's education. In 2011 the average amount set aside for college was 5,955 dollars from their own income and savings, but in the previous year it was almost 6,664 dollars. Thus, even more prospective students needed to look for loans. The average amount borrowed by families for college tuition rose nearly 17 percent last year to 5,551 dollars, which was up from 4,753 dollars in 2010. Meanwhile, the percentage of families with college students using federal student loans grew to 34 percent in 2012, up from 25 percent in 2009. And almost 67 percent of college students who graduated in 2012 had loans, up from 63 percent a decade ago.²¹⁴

A college education is an increasingly important tool for success in the modern economy, and not just for the middle class. It is often the primary tool for improving, or even minimally maintaining, an individual's socio-economic status. The reasons are primarily "technological change that favors mind over muscle, the growth of the financial sector, the loss of manufacturing jobs to automation and foreign competitors,

²¹³ Melissa Korn and Rachel Ensign, "Some Schools Cut Student Grants, Scholarships," *The Wall Street Journal*, July 16, 2012, accessed May 3, 2013, <http://online.wsj.com/article/SB10001424052702303612804577528770015146982.html>.

²¹⁴ Ruth Simon and Rob Barry, "A Degree Drawn in Red Ink," *The Wall Street Journal*, February 18, 2013, accessed May 3, 2013, <http://online.wsj.com/article/SB10001424127887324432004578306610055834952.html>.

and the decline of labor unions."²¹⁵ The modern economy rewards people not only based on how hard they work, but, on what education they have *and* how hard they work. In principle, it is a logical and positive aspect. Yet, under the current system, the poorer a citizen is, the smaller his or her chances are to afford a better education.²¹⁶ Getting an education has thus become harder for those young people who "cannot turn to partners, parents or adult children to support their households; piling up credentials can be difficult even if motivation is there." Overall, these people who are motivated but have low "human capital capabilities, are less likely to pull ahead because there are structural barriers before them."²¹⁷ But as more of them found out, the military provides a meaningful way to overcome those obstacles. As it was presented in previous chapters, the educational programs within the armed forces became the most important and expanded social programs.²¹⁸ And for current enlistees they are the second most important reason for joining, right behind an "intangible" sense of patriotism. Moreover, health-care insurance has attracted the attention of new recruits as well, which has also been difficult to get in the civilian sector.

5.4 Universal healthcare

Protecting health is, and should continue to be, an essential human right. Yet, in the United States, tens of millions of Americans cannot afford health insurance, despite massive programs like Medicare and Medicaid. Often, people are considered "too rich" to receive the government's aid, but too poor to obtain coverage themselves. The United States, with its many economic superlatives, is still the only developed country in the OECD without universal access to healthcare, apart from Turkey and Mexico. The overall nation-wide quality ranks behind almost all European public healthcare systems, despite its enormous costs for the government.²¹⁹ The costs are extreme for citizens as well, as the price of individual healthcare is one of the highest

²¹⁵ DeParle, "Two Classes Divided."

²¹⁶ Katherine Newman, *Chutes and Ladders: navigating the low-wage labor market* (New York: Russell Sage Foundation, 2006), 105.

²¹⁷ *Ibidem*, 110.

²¹⁸ This sharp increase is valid for funding of vocational rehabilitation as well. "Trends in the Geographic Distribution of VA Expenditures: FY2000 to FY2009."

²¹⁹ "U.S. health care system from an international perspective," OECD, accessed May 5, 2013, http://www.oecd.org/health/HealthSpendingInUSA_HealthData2012.pdf.

in the world.²²⁰ As a result, almost 60 percent of all personal bankruptcies in the US in the last decade were due to medical bills. That is an enormous number in itself, but the main point is that the rising costs of health are disproportionately affecting poorer citizens and the lower middle class. High insurance costs, and the extreme burdens caused by not having insurance have the most profound impacts on these demographics.²²¹ And that is currently reflected in the military statistics.

Health insurance is certainly not as pressing for younger people as it is for older people. Yet, the DVA data show a shift in this regards, as increasing number of current enlistees plan to use the military health-care program as a primary source for insurance - almost 30 percent. Another 18 percent would use some of its parts on top of their non-DVA insurance. And some 30 percent would use it as safety net. As explained in this chapter, this is a result of structural problems in the US that drives increasingly bigger parts of middle class into the military. This shift is highly visible when compared to the First Gulf War and older veterans, of whom only 15 percent would use the military health-care as a primary source of health coverage.²²² To make the case further - the military certainly wouldn't provide such extensive health-coverage to service members, veterans and their families, if they did not desire it. The ballooning of the costs and the scope of coverage since 2001 should serve as a proof.

This will change when (and if) the "*The Patient Protection and Affordable Care Act (PPACA)*" and its amendments initiated by Obama administration come into full force. And if it becomes reality, it will help those people who are too "rich" to qualify for Medicaid, yet too poor to buy the insurance. And the people in this demographic, according to data gathered, are the ones that increasingly choose military service while being considered lower middle class.²²³ In general, the *PPACA* will lower the stress associated with loosing a job, or the stress of getting a job without healthcare benefits. No longer will the health of poor family members be dependent on one's job. No longer will students have to quit school just to pay for medical bills for themselves

²²⁰ Official interactive statistics of OECD, 2012, available at: <http://www.oecd.org/statistics/>.

²²¹ Data are from the year 2007. Elizabeth Warren et al., "Medical Bankruptcy in the United States, 2007: Results of a National Study," *The American Journal of Medicine* 122 (2009): 1.

²²² Of course, they are older and more integrated into the labor force and know if they're able to afford private insurance by themselves. Yet, the current approach of youngest veterans shows their uncertainty about the future. "Reported Plan to Use VA Health Care in the Future, for Selected Groups of Veterans," Department of Veterans Affairs, accessed March 12, 2013, http://www.va.gov/vetdata/docs/QuickFacts/2010NSV_Quick_Fact_Final.pdf.

²²³ Watkins and Sherk, "Who Serves in the U.S. Military?."

or their relatives. No longer, will young people consider joining the military solely for that reason.

Conclusion

From the beginning, the development of the social state in the United States has been quite turbulent and has not pursued universality of help as its European counterparts. Since the 1970s, it has been under the influence of neoliberal paternalism, aiming for a minimal role of the government in social affairs of its citizens. This has led to a stigmatization of those needing help, such as welfare. Along with this process, since the introduction of the all-volunteer force, the U.S. military has introduced a host of social policies and programs in order to attract and maintain the highest quality force possible. The magnitude of those programs, however, shifted its reach widely beyond the military community, as the U.S. military itself officially acknowledged by perceiving them as indirect "macro strategic" tools for bolstering the nation's social strength.

The combination of various social programs and benefits has created a very complex environment, which ensures the welfare of the military community in almost all aspects of life. From education to health-care, the military social programs largely resemble a fine-tuned version of its civilian counterparts. Moreover, this system ensures that, once a person is out of military service, his or her welfare is secured and he or she is not "left alone" by the insufficient civilian social system. Additionally, those programs and benefits are available to service members, veterans and to their families as well, thus acting as a strong motivation for joining.

On average, people who went through this system perform better in most aspects of life. They tend to have lower unemployment rates, given the vast variety of job training and placement programs, and higher educational attainment, thanks to the expanded GI Bill and Tuition Assistance program. Moreover, these two factors have considerable positive influence on the quality of family life, as they provide a safer and more stable environment for a family. Military family policies, mixed with the general attractiveness of benefits, started to bolster stability among military families. It also began to attract new families into its system, which is quite unexpected given the character of military service. Thus, it is safe to assume the military *functions* as a social program. Furthermore, the research showed that enlistees *use* the military as a social program. Professionalization was not the primary driving factor towards the

inclusion of disadvantaged groups in the military, as anecdotal evidence may suggest. The main factors influencing their inclusion turned out to be the scope of provided benefits and the performance of the national economy. In proportion to the rise of benefits, the desire to join the force grew among minorities and applicants with lower levels of education (without at least a HSD or GED) - those who were falling through the safety net of the civilian social system. However, the notion of being used as a social program did not go well with military leadership, thus leading to a significant drop in benefits in the late 1970s. That surprisingly increased their inclusion even more, as many high-quality applicants (those more educated) dropped out of the competition. In this respect, the professionalization actually had positive impacts. It helped applicants to attain an education to fulfill the minimal entry requirements while helping the military fulfill its recruitment quotas. Subsequent reintroduction and significant increases in benefits restored the competition and decreased the inclusion of disadvantaged groups. But, only until the national economy had improved significantly in the 1990s, when the perceived "value" of benefits logically decreased for the high-quality candidates. On the other hand, the economic downturn in 2008 was greatly reflected by the socio-economic composition of new recruits, who became increasingly well educated, disproportionately white and by national standards considered middle class in terms of income. They replaced those who were, by the proposed theory, supposed to be the primary recipients of the military social system. The economic crisis was truly only a trigger, as the middle class has been under economic pressure and loosing the means to ensure social mobility through education or to afford solid health-care for a longer period of time. This fact was well reflected in the usage of particular programs within the military.

To conclude, the U.S. military established its own successful social system, based on universality and active care, which led to the desired increase in readiness and efficiency of its armed forces. So why not to do the same with regard to civilian citizenry? Once, the military was on the forefront of rooting out racism. Not because of moral inputs, but because of the need to create an effective force. Now, the military's actions could serve as an inspiration for the American social system.

Shrnutí

Od svého vzniku byl vývoj sociálního státu ve Spojených státech poměrně turbulentní a oproti svým evropským protějškům si nedával za cíl dosáhnout univerzality pomoci v rámci společnosti. Toho důvodem byla ideologie neoliberálního paternalismu, kterou se sociální politika řídila poslední půlstoletí a jež kladla důraz na minimální roli státu v této oblasti a zároveň recipientům sociálních dávek a jiné pomoci přiřkla stigma. Oproti tomu armáda zaváděla svůj sociální systém postupně, bez dramatických změn a v současnosti je možné mluvit o systému univerzálním. Důvodem pro jeho vznik ale nebyl altruismus či pouhá snaha zpříjemnit členům ozbrojených sil a veteránům život, ale snaha zajistit co nejlepší možnou efektivitu všech svých složek po přestupu k profesionální armádě v roce 1973. Byla tak zavedena univerzální zdravotní péče, bezplatný přístup k vyššímu školství, rekvalifikační programy pro získání práce, podpora v zakládání rodin, systém podpory v nezaměstnanosti či nemoci a dokonce i armádní systém velkoobchodů. Důsledkem těchto programů a politik pak bylo, že lidé spojení se službou v armádě mají oproti zbylé americké společnosti vyšší úroveň vzdělání, menší procento nezaměstnaných i stabilnější rodinné zázemí. Toto je možné vnímat o to pozitivněji, pokud vezmeme v potaz, že služba v armádě je často brána jako práce pro nižší socio-ekonomické skupiny. Avšak výzkum odhalil, že i když tyto skupiny mají největší „motivaci“ do armády opravdu vstoupit, jelikož často nemají podporu ve státním sociálním systému, začaly být v posledních letech nahrazovány americkou střední třídou. Strukturální problémy nejen sociálního systému totiž zapříčinily, že i tato skupina byla donucena hledat alternativy při cestě za socio-ekonomickým vzestupem a útočiště našla právě v sociálním systému ozbrojených sil. Americká armáda tak začala být využívána jako sociální program, který funguje vysoce efektivně a především univerzálně. Mohl by tedy sloužit jako předloha pro reformu jeho civilního protějšku.

Bibliography

Books

Howard, Christopher. *Debunking Myths About U.S. Social Policy: The Welfare State Nobody Knows*. Princeton: Princeton University Press, 2008.

Karney, Benjamin, and Crown, John. *Families Under Stress*. Santa Monica: RAND Corporation, 2007.

Mettler, Suzanne. *The Submerged State: How Invisible Government Policies Undermine American Democracy*. Chicago: University of Chicago Press, 2011.

Newman, Katherine. *Chutes and Ladders: navigating the low-wage labor market*. New York: Russell Sage Foundation, 2006.

Novack, Jerry. "Military Dads and Fatherwork." In *Families: Traditional and New Structures*, edited by Paul McCaffrey et al., 80-115. Ipswich, H.W. Wilson, 2013.

Rank, Mark Robert. *One Nation, Underprivileged: Why American Poverty Affects Us All*. Oxford: Oxford University Press, 2004.

Robey, Patricia. *Contemporary issues in couples counseling a choice theory and reality therapy approach*. New York: Routledge, 2012.

Sitrin, Joel, et al. *Valuation of the Military System: September 30, 2011*. Washington DC: Department of Defense, 2013.

Soss, Joe, and Fording, Richard. *Disciplining the Poor*. Chicago: University of Chicago Press, 2011.

Tindall, George, and Shi, Richard. *Dějiny Spojených Států Amerických*. Praha: NLN, Nakladatelství Lidové noviny, 2008.

Academic articles

Kleykamp, Meredith. "Where did the soldiers go? The effects of military downsizing on college enrollment and employment." *Social Science Research* 39 (2010): 477-490.

MacLeavy, Julie. "Workfare–Warfare: Neoliberalism, “Active” Welfare and the New American Way of War." *Antipode* 41 (2009): 890-915.

Mettler, Suzanne and Welch, Eric. "The Civic Generation: Policy Feedback Effects of the G.I. Bill on Political Involvement over the Life Course." *The British Journal of Political Science* 34 (2004): 497 - 518.

Rickles, Nathaniel, and Amaro, Hortensia. "Perceptions of Healthcare, Health Status, and Discrimination Among African-American Veterans." *Journal of Health Disparities Research and Practice* 4 (2010): 50-68.

Segal, David, and Segal, Mady. "America's Military Population." *Population Bulletin* 59 (2004): 1-40.

Smith-Osborne, Alexa. "Does the GI Bill Support Educational Attainment for Veterans with Disabilities? Implications for Current Veterans in Resuming Civilian Life." *Journal of Sociology & Social Welfare* 36 (2009): 111-125.

Warren, Elizabeth, et al.. "Medical Bankruptcy in the United States, 2007: Results of a National Study." *The American Journal of Medicine* 122 (2009): 741-746.

Studies

Austin, Andrew. *Trends in Discretionary Spending*. Washington: Congressional Research Service, 2013. Accessed July 5, 2013.
<http://www.fas.org/sgp/crs/misc/RL34424.pdf>.

Cowan, Tadlock. *Military Base Closures: Socioeconomic Impacts*. Washington DC: Congressional Research Service, 2012. Accessed April 7, 2013.
<http://www.fas.org/sgp/crs/natsec/RS22147.pdf>.

Department of Defense. *Defense Budget Priorities and Choices*. Washington DC: Department of Defense, 2012. Accessed June 18, 2013.
http://www.defense.gov/news/Defense_Budget_Priorities.pdf.

Domhoff, William. *Wealth, Income, and Power*. University of California at Santa Cruz. Last updated December 13, 2012. Accessed January 24, 2013.
<http://www2.ucsc.edu/whorulesamerica/power/wealth.html>.

Goldberg, Matthew, et al. *Costs of Military Pay and Benefits in the Defense Budget*. Washington: Congressional Budget Office, 2012. Accessed June 4, 2013.
http://www.cbo.gov/sites/default/files/cbofiles/attachments/11-14-12-MilitaryComp_0.pdf.

Harkin, Tom, et al. *Benefitting Whom? For-Profit Education Companies and the Growth of Military Educational Benefits*. Washington: US Senate, 2010. Accessed June 1, 2013. <http://www.harkin.senate.gov/documents/pdf/4d0bbba63cba1.pdf>.

Lettner, Loretta, et al. *Reducing the Deficit: Spending and Revenue Options*. Washington DC: Congressional Budget Office, 2011. Accessed May 20, 2013, <http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/120xx/doc12085/03-10-reducingthedeficit.pdf>.

Taylor, Paul et al., *The Military-Civilian Gap: War and Sacrifice in the Post-9/11 Era*. Washington, PewResearchCenter, 2011. Accessed March 13, 2013.
<http://www.pewsocialtrends.org/files/2011/10/veterans-report.pdf>.

Taylor, Paul, et al. *The Lost Decade of the Middle Class*. Washington DC: PewResearchCenter, 2012. Accessed June 12, 2013.
<http://www.pewsocialtrends.org/files/2012/08/pew-social-trends-lost-decade-of-the-middle-class.pdf>.

Veterans Benefits Administration. *Annual Benefits Report: Fiscal Year 2012*. Washington: Department of Veterans Affairs, 2012. Accessed March 12, 2013.
http://www.vba.va.gov/REPORTS/abr/2012_abr.pdf.

Watkins, Shanea, and Sherk, James. *Who Serves in the U.S. Military? The Demographics of Enlisted Troops and Officers*. Washington DC: The Heritage Foundation, 2008. Accessed October 27, 2012.
<http://www.heritage.org/static/reportimages/3E59D41279449CAB99F8C7CF54E02351.gif>.

Newspapers

Adams, Chris. "Millions went to war in Iraq, Afghanistan, leaving many with lifelong scars." *McClatchy*, March 14, 2013. Accessed March 16, 2013.
<http://www.mcclatchydc.com/2013/03/14/185880/millions-went-to-war-in-iraq-afghanistan.html#.UdLkFCsY2ug>.

Anand, Vineeta. "What Does Widening U.S. Income Gap Mean for Future of Economy, Americans?." *PBS Newshour*, May 6, 2011. Accessed July 1, 2013.
http://www.pbs.org/newshour/bb/business/jan-june11/incomegap_05-06.html.

Bailey, Lauren. "Veteran Unemployment Rate at 6.7 Percent in September; Post-9/11 Vet Unemployment Rate Continues to Fall." *Vantage Point - US DVA*, October 5, 2012. Accessed November 6, 2012. <http://www.blogs.va.gov/VAntage/8193/veteran-unemployment-rate-at-6-7-percent-in-september-post-911-vet-unemployment-rate-continues-falling/>.

Burton, Natasha. "Military Divorce: What It's Like To Split From Your Military Spouse." *The Huffington Post*, May 28, 2012. Accessed November 1, 2012.
http://www.huffingtonpost.com/2012/05/28/military-divorce_n_1537598.html.

Caldwel, Daniel. "Is The "New" Post-9/11 GI Bill Really A "Win" For Vets?." *VantagePoint*, December 30, 2010. Accessed June 13, 2013.
<http://www.blogs.va.gov/VAntage/1027/is-the-new-post-911-gi-bill-really-a-win-for-vets/>.

Cannon, Michael. "VHA is Not the Way." *The CATO Institute*, March 6, 2006. Accessed April 28, 2013. <http://www.cato.org/publications/commentary/vha-is-not-way>.

Carter, Shan, and Cox, Amanda. "Obama's 2012 Budget Proposal: How 3,7 Trillion is Spent." *The New York Times*, February 14, 2011. Accessed July 1, 2013. <http://www.nytimes.com/packages/html/newsgraphics/2011/0119-budget/index.html>.

Chandrasekaran, Rajiv. "Plan to shut military supermarkets shows difficulty of cutting defense spending." *The Washington Post*, June 1, 2013. Accessed June 2, 2013. http://articles.washingtonpost.com/2013-06-01/world/39672909_1_commissary-defense-business-board-pentagon-advisory-board.

DeParle, Jason. "Two Classes Divided by 'I Do'." *The New York Times*, July 14, 2012. Accessed January 24, 2013. http://www.nytimes.com/2012/07/15/us/two-classes-in-america-divided-by-i-do.html?pagewanted=all&_r=0.

Engler, Mark. "US Military Spending Marches On." *The Guardian*, February 28, 2011. Accessed December 13, 2013. <http://www.guardian.co.uk/commentisfree/cifamerica/2011/feb/28/us-military-public-finance>.

Garrett, Thomas. "U.S. Income Inequality: It's Not So Bad." *The Federal Reserve Bank of St. Louis*, October 2008. Accessed May 6, 2013. <http://www.stlouisfed.org/publications/re/articles/?id=986>.

Ghosh, Palash. "Income gap between rich and poor in U.S. at record high." *International Business Times*, September 29, 2010. Accessed December 12, 2012. <http://www.ibtimes.com/articles/66809/20100929/income-gap-census-bureau-poverty.htm>.

Gura, David. "Military tuition cuts: A tangible sequester impact." *MarketPlace*, March 11, 2013. Accessed March 23, 2013. <http://www.marketplace.org/topics/economy/6-degrees-sequestration/military-tuition-cuts-tangible-sequester-impact>.

Harkin, Tom. "Senators Unveil New Data Detailing Alarming Trend of Misguided Use of America's Veterans' Education Benefits." *The US Senate*, September 22, 2011. Accessed March 17, 2013. <http://www.harkin.senate.gov/press/release.cfm?i=334149>.

Hefling, Kimberly. "Military Widens Doors for dropouts." *National Priorities Project*, August 9, 2007. Accessed May 4, 2013. <http://nationalpriorities.org/en/pressroom/articles/2007/08/09/military-widens-door-for-dropouts/>.

Herb, Jeremy, and Munos, Carlos. "Pentagon's \$527 billion budget includes new base closures, military benefit cuts." *The Hill*, April 10, 2013. <http://thehill.com/blogs/defcon-hill/budget-appropriations/292925-pentagon-budget-includes-new-base-closures-compensation-cuts>.

Johnston, David. "Income Gap Is Widening, Data Shows." *The New York Times*, March 29, 2007. Accessed January 7, 2013. <http://www.nytimes.com/2007/03/29/business/29tax.html>

Key, Kyle. "National Guard GED Plus Program Helps Curb the Dropout Crisis." *PRWeb*, October 14, 2010. Accessed April 16, 2013. <http://www.prweb.com/releases/2010/10/prweb4652004.htm>.

Korn, Melissa, and Ensign, Rachel. "Families Saving Less for College." *The Wall Street Journal*, February 26, 2013. Accessed May 3, 2013. <http://blogs.wsj.com/economics/2013/02/26/families-saving-less-for-college/?mod=e2fb>.

Korn, Melissa, and Ensign, Rachel. "Some Schools Cut Student Grants, Scholarships." *The Wall Street Journal*, July 16, 2012. Accessed May 3, 2013. <http://online.wsj.com/article/SB10001424052702303612804577528770015146982.html>.

Krugman, Paul. "Health Care Confidential." *Economist's View*, January 27, 2006. Accessed June 3, 2013. http://economistsview.typepad.com/economistsview/2006/01/paul_krugman_he.html.

Krugman, Paul. "Reagan Was a Keynesian." *The New York Times*, June 7, 2012. Accessed June 23, 2013. http://www.nytimes.com/2012/06/08/opinion/krugman-reagan-was-a-keynesian.html?_r=0.

Luce, Edward. "The crisis of middle-class America." *Financial Times*, July 30, 2010. Accessed May 2, 2013. <http://www.ft.com/cms/s/2/1a8a5cb2-9ab2-11df-87e6-00144feab49a.html#axzz15KtQCYy1>.

McMichael, Bill. "Military Compensation: What's most important." *Delaware Online*, April 22, 2013. Accessed July 1, 2013. <http://blogs.delawareonline.com/delawaredefense/2013/04/22/military-compensation-whats-most-important/>.

Mulrine, Anna. "Pentagon budget: Does it pit active-duty forces against retirees?" *The Christian Science Monitor*, February 13, 2012. Accessed January 24, 2013. http://www.csmonitor.com/USA/Military/2012/0213/Pentagon-budget-Does-it-pit-active-duty-forces-against-retirees-video?nav=A374061-csm_article-bottomRelated.

Mulrine, Anna. "Why defense spending keeps rising. (Hint: It's not just the wars)." *Christian Science Monitor*, July 19, 2011. Accessed June 3, 2013. <http://www.csmonitor.com/USA/Military/2011/0719/Why-defense-spending-keeps-rising.-Hint-It-s-not-just-the-wars>.

National Priorities Project. "Military Recruitment 2010." *The NPP*, June 30, 2011. Accessed November 10, 2012. <http://nationalpriorities.org/en/analysis/2011/military-recruitment-2010/>.

NPR, Staff. "Cutting Retiree Benefits A Sore Subject For Military." *NPR*, December 4, 2011. Accessed April 5, 2013. <http://www.npr.org/2011/12/04/143115964/cutting-retiree-benefits-a-sore-subject-for-military>.

Press, Associated. "Congress forcing military to keep unwanted assets, programs despite spending cuts, report says." *The Fox News*, April 23, 2013. Accessed April 25, 2013. <http://www.foxnews.com/politics/2013/04/23/congress-forcing-military-to-keep-unwanted-assets-programs-despite-spending/>.

Roy, Avik. "How Health-Care Spending Strains the U.S. Military." *Forbes*, December 3, 2012. Accessed December 20, 2012. <http://www.forbes.com/sites/aroy/2012/03/12/how-health-care-spending-strains-the-u-s-military/>.

Sander, Libby. "Out of Uniform: At Half a Million and Counting, Veterans Cash In on Post-9/11 GI Bill." *The Chronicle*, March 11, 2012. Accessed March 18, 2013. http://chronicle.com/article/Out-of-Uniform-At-Half_a/131112/?key=HD97dAVgMiNHM.

Serbu, Jared. "Analysis: Pay, benefits, O&M will swallow entire DoD budget by 2024." *Federal News Radio*, April 8, 2013. Accessed April 25, 2013. <http://www.federalnewsradio.com/394/3277858/Analysis-Pay-benefits-OM-will-swallow-entire-DoD-budget-by-2024>.

Serbu, Jared. "Panetta throws in the towel on 2013 base closures." *Federal News Radio*, August 7, 2012. Accessed June 1, 2013. <http://www.federalnewsradio.com/414/2981782/Panetta-throws-in-the-towel-on-2013-base-closures>.

Shoop, Tom. "Military Spending: Will Pay, Benefits Cuts Come First?." *Government Executive*, January 3, 2012. Accessed January 13, 2013. <http://www.govexec.com/federal-news/fedblog/2012/01/military-spending-will-pay-benefits-cuts-come-first/40819/>.

Simon, Ruth, and Barry, Rob. "A Degree Drawn in Red Ink." *The Wall Street Journal*, February 18, 2013. Accessed May 3, 2013. <http://online.wsj.com/article/SB10001424127887324432004578306610055834952.html>.

Sledge, Matt. "Veterans Retraining Assistance Program For Unemployed Service members Attracts Thousands." *The Huffington Post*, April 9, 2012. Accessed November 22, 2012. http://www.huffingtonpost.com/2012/09/04/veterans-retraining-assistance_n_1854679.html.

Stewart, Phil. "Special Report: Obama's struggle to mend veterans' safety net." *Reuters*, July 26, 2012. Accessed November 11, 2012. <http://www.reuters.com/article/2012/07/26/us-usa-veterans-obama-idUSBRE86P0JG20120726>.

Stiglitz, Joseph. "Of the 1%, by the 1%, for the 1%." *The Vanity Fair*, May 2011. Accessed May 2, 2013. <http://www.vanityfair.com/society/features/2011/05/top-one-percent-201105>.

Webb, James. "The Military is Not a Social Program." *The New York Times*, August 18, 1993. Accessed January 19, 2013. <http://www.nytimes.com/1993/08/18/opinion/the-military-is-not-a-social-program.html?pagewanted=2&src=pm>.

Zarate, Robert. "FPI Analysis: Obama FY2014 Defense Budget and the Sequestration Standoff." *The Foreign Policy Initiative*, April 11, 2013. Accessed May 13, 2013. <http://www.foreignpolicyi.org/content/fpi-analysis-obama%E2%80%99s-fy2014-defense-budget-sequestration-standoff>.

Primary data

Speeches

Clinton, Bill. "Address Accepting the Presidential Nomination at the Democratic National Convention in New York." *Speech delivered at the Democratic National Convention 1992*, July 16, 1992. Accessed March 4, 2013. <http://www.presidency.ucsb.edu/ws/?pid=25958>.

Clinton, Bill. "Speech to the Democratic National Convention 2012." *Speech delivered at the Democratic National Convention 2012*, September 5, 2012. Accessed June 3, 2013. http://www.nytimes.com/2012/09/05/us/politics/transcript-of-bill-clintons-speech-to-the-democratic-national-convention.html?pagewanted=all&_r=0.

Tables

Bureau of Labor Statistics. "Labor Force Statistics from the Current Population Survey - 2012." Accessed May 6, 2013. <http://data.bls.gov/timeseries/LNS14000000>.

Bureau of Labor Statistics. "Employment Situation of Veterans Summary." Accessed November 20, 2012. <http://www.bls.gov/news.release/vet.nr0.htm>.

Bureau of Labor Statistics. "Employment status of the civilian population 18 years and over by veteran status." Accessed November 02, 2012. <http://www.bls.gov/news.release/empstat.t05.htm>.

Centers for Disease Control and Prevention. "Marriage and Divorce." Accessed November 18, 2012. <http://www.cdc.gov/nchs/fastats/divorce.htm>.

Department of Defense. "Non-Prior Service (NPS) Active Component Tier 1 Enlisted Accessions by Service with Civilian Comparison Group, FYs 1973-2011." Accessed June 2, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2011/appendix/d_07.html.

Department of Defense. "Non-Prior Service (NPS) Active Component Enlisted Accessions with High School Diplomas by Service with Civilian Comparison Group, FYs 1973-2007." Accessed March 14, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendix/d_07.html.

Department of Defense. "Non-Prior Service (NPS) Active Component Enlisted Accessions by Race/Ethnicity, FY 1973-2002." Accessed March 14, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendix/d_23.html.

Department of Defense. "Non-Prior Service (NPS) Active Component Enlisted Accessions by Race/Ethnicity, FY 1973-2002." Accessed March 14, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendix/d_23.html.

Department of Defense. "Non-Prior Service (NPS) Active Component Enlisted Accessions by Marital Status and Service with Civilian Comparison Group, FYs 1976-2007." Accessed March 13, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendix/d_06.html.

Department of Defense. "Ratio of Non-Prior Service (NPS) Active Component Enlisted Accessions to Applicants, FYs 1976-2007." Accessed July 3, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/PopRep2007/appendix/d_03.html.

Military.com. "Tuition Assistance." Accessed April 24, 2013.
<http://www.military.com/education/money-for-school/tuition-assistance-ta-program-overview.html>.

National Priorities Project. "Military Recruitment 2010." Accessed June 24, 2013.
<http://nationalpriorities.org/en/analysis/2011/military-recruitment-2010/>.

OECD. *An Overview of Growing Income Inequalities in OECD Countries: Main Findings*. Paris:

OECD, 2011. Accessed May 5th, 2013.
<http://www.oecd.org/els/socialpoliciesanddata/49499779.pdf>.

OpenSecrets. "Defense." Accessed April 9, 2013.
<http://www.usnews.com/congress/industries/misc-defense/>.

The World Bank. "Military Expenditure (% of central government expenditure)." Accessed May 16, 2013.
<http://data.worldbank.org/indicator/MS.MIL.XPND.ZS?page=1>.

Graphs

Bureau of Labor Statistics. "Employment Situation of Veterans." Accessed January 24, 2013. <http://www.bls.gov/spotlight/2010/veterans/home.htm>.

Department of Defense, *2011 Demographics: Profile of the Military Community*. Washington: Defense Man Power Data Center, 2012. Accessed March 3, 2013.
http://www.militaryonesource.mil/12038/MOS/Reports/2011_Demographics_Report.pdf.

Department of Defense. "Education." Accessed July 5, 2013.
http://prhome.defense.gov/rfm/MPP/ACCESSION%20POLICY/poprep2000/html/chapter2/c2_education.htm.

Department of Veterans Affairs. "Department of Veterans Affairs Statistics at a Glance 2012." Accessed June 5, 2013.
http://www.va.gov/vetdata/docs/Quickfacts/Homepage_slideshow_03_31_13.pdf.

Department of Veterans Affairs. "Employment of Veterans in the Federal Government: Fiscal Years 2006 to 2011." Accessed June 2, 2013.
http://www.va.gov/vetdata/docs/QuickFacts/Homepage_opm_vets_quickfacts.pdf.

Department of Veterans Affairs. "National Center for Veterans Analysis and Statistics: Selected Research Highlights 2010." Accessed March 17, 2013.
<http://www.va.gov/vetdata/docs/QuickFacts/Reports-slideshow.pdf>.

Department of Veterans Affairs. "Reported Plan to Use VA Health Care in the Future, for Selected Groups of Veterans." Accessed March 12, 2013.
http://www.va.gov/vetdata/docs/QuickFacts/2010NSV_Quick_Fact_Final.pdf.

Department of Veterans Affairs. "Trends in the Geographic Distribution of VA Expenditures: FY2000 to FY2009." Accessed April 3, 2013.
<http://www.va.gov/vetdata/docs/QuickFacts/Gdx-trends.pdf>.

Department of Veterans Affairs. "VA Benefits & Health Care Utilization." Accessed February 25, 2013.
http://www.va.gov/vetdata/docs/Quickfacts/Spring_13_sharepoint.pdf.

Department of Veterans Affairs. "Veteran Population Projections: FY2010 to FY2040." Accessed June 25, 2013.
http://www.va.gov/vetdata/docs/QuickFacts/Population_quickfacts.pdf.

HELP Committee - The US Senate. "Where are Federal GI.Bill Dollars Going?." Accessed March 24, 2013.
<http://www.harkin.senate.gov/documents/pdf/4ecbffe07af8e.pdf>.

OECD. "OECD StatsExtracts iLibrary." Accessed February 20, 2013.
<http://stats.oecd.org/Index.aspx?DataSetCode=INEQUALITY>.

OECD. "U.S. health care system from an international perspective." Accessed May 5, 2013. http://www.oecd.org/health/HealthSpendingInUSA_HealthData2012.pdf.

Statista Inc. "United States - Annual GDP 1990-2012." Accessed April 13, 2013.
<http://www.statista.com/statistics/188105/annual-gdp-of-the-united-states-since-1990/>.

The U.S. Army. "Army Demographics." Accessed September 30, 2012.
http://www.usarec.army.mil/support/downloads/FY11_ARMY_PROFILE.pdf.

Websites

MOOA. "Mission and History." Accessed July 7, 2013.
http://www.moaa.org/Main_Menu/About_MOAA/Mission_and_History.html.

Oregon State Government. "GI Bill History." Accessed April 15, 2013.
http://www.oregon.gov/odva/benefits/Pages/gibill_history.aspx.

The New GI Bill. "The Post 9/11 GI Bill." Accessed April 1, 2013.
http://www.newgibill.org/post_911_gi_bill.