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# The Shortcomings of an All-Volunteer Force: A Cost Analysis of Conscription

December 2024

# Capt Grant Wilson, USAF

Thesis Advisors: Lt Col Jamie M. Porchia, Assistant Professor Dr. Ryan S. Sullivan, Associate Professor

Department of Defense Management

# Naval Postgraduate School

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Prepared for the Naval Postgraduate School, Monterey, CA 93943

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# ABSTRACT

This cost-analysis study explores whether conscription is more or less costly than an all-volunteer force (AVF). It compares the contemporary Armed forces with those of the Vietnam War era. Furthermore, this study seeks to find if conscription would be a valid alternative to the AVF to address recruiting difficulties from a cost perspective. This study utilizes data from numerous sources such as the Defense Manpower Data Center (DMDC), U.S. Comptroller, and Defense Financial Accounting System (DFAS). This study provides a cost model from previously conducted reports from the General Accounting Office (now Government Accountability Office) and Congressional Budget Office (CBO) using additional social criteria such as draft evasion costs and tax deadweight loss. This research observes an increase in the overall cost structure from 1972 to 2024 in categories such as recruiting costs and draft evasion costs. Furthermore, this study finds the opportunity costs of implementing conscription account for a total cost difference of \$119B and points to a reestablishment of conscription to be too costly from an economic and social perspective without the existence of a real, present threat.



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# LIST OF ACRONYMS AND ABBREVIATIONS

AVF	All-Volunteer Force
СВО	Congressional Budget Office
DoD	Department of Defense
FAFSA	Free Application for Federal Student Aid
GAO	Government Accountability Office
GDP	Gross Domestic Product
HASC	House Armed Services Committee
IDF	Israeli Defense Force
NCO	Non-Commissioned Officer
OMB	Office of Management and Budget
RMC	Regular Military Compensation
ROK	Republic of Korea
SSA	Selective Service Administration
VA	Department of Veterans Affairs



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# I. INTRODUCTION

The U.S. military's recent recruitment issues have prompted discussion of whether conscription should be reinstituted in the United States (Pallas, 2023). Although the United States abolished the practice of conscription in 1973, the prospects of its reinstitution have come under scrutiny from both allies and detractors alike. Conscription has been touted by supporters as an all-encompassing solution to the recruitment crisis that would also combat the present lack of civic pride within the United States (Choulis et al., 2019). Opponents see the topic of conscription as a barbaric measure no longer required in the digital age (Choulis et al., 2019) and a practice that only harms the nation in its enforcement (Friedman, 1967). This study seeks to contribute to the debate by measuring the cost of reinstating conscription by comparing its implementation during the Vietnam era to the cost of today's all-volunteer force (AVF).

There are many previous studies on the tangible (or economic) costs of conscription. Syllogistics Inc. was one of the first organizations to measure these costs under different supply elasticity conditions from the 1960s to the 1980s (Morris et al., 1986); the General Accounting Office (now the Government Accountability Office [GAO], 1988) updated the economic/budgetary data while also accounting for tax loss as a significant factor; and Tim Perri (2010) at Appalachian State University also looked at the costs of draft evasion enforcement. Lacking within the cost analysis research, however, is an overarching study that encompasses the tangible effects of conscription's re-enactment (regular military compensation, medical benefits, etc.) with intangible costs such as draft evasion and tax loss. Furthermore, previous studies defined the AVF as one that was fully staffed by incentivizing personnel recruitment through increased wages. As has been made evident since the pandemic, the AVF of the United States has missed its recruiting goals year after year, failing to incentivize new recruits through the benefits of job stability and competitive pay (Black, 2023).

To counteract the U.S. armed forces' current recruitment crisis, the number of recruits required must be lowered, quality-of-life improvements (such as better pay or improved talent management) must be increased, or higher manpower numbers must be



enforced through mechanisms such as conscription. The first option is not feasible due to an ever-increasing number of conflicts around the globe. This leaves a dichotomy between the remaining two options of increased costs of improving the AVF versus reenacting a form of the draft to match the number of recruits necessary for full military efficiency. The costs of improving the AVF have been on the rise but have still failed to help meet recruitment numbers (Black, 2023). Therefore, the costs associated with conscription's re-enactment must be weighed against those of the AVF but must encompass both the economic and social costs (explained in further detail in Chapter III) of conscription's implementation.

Conscription has become an increasingly compelling option in the face of bleak recruitment numbers. Although many other factors related to conscription's re-enactment, such as effectiveness and societal net benefits, are important, the basis for hard comparison lies in its data-driven costs. To better understand the costs associated with conscription, the practical dynamic must be weighed with the social dynamic. To encompass both, this cost-analysis study uses the policy choices made during the Vietnam War–era (1960s–1970s) draft to explore if the costs (both practical and social) associated with conscription are higher or lower than the costs of today's all-volunteer U.S. armed forces.

As this study focuses on the data-driven costs associated with conscription, a quantitative methodology is used to compare the costs. First, the past physical and social costs related to conscription are reviewed up to the practice's abolishment in the United States. This review provides a basis for actual costs in categories such as Regular Military Compensation (RMC), healthcare, and basic training. With the baseline established, societal factors such as evasion costs and tax deadweight loss are added to previous models. Then, modern figures are applied to the same categories established in the Vietnam era to provide a comparison of what a modern conscripted force would cost economically along with its societal costs. Finally, a comparison is made between previous costs and modern estimates of conscription to gain a further comparison of the current AVF's costs.



The remainder of the thesis is structured as follows: Chapter II provides background information into the history of how conscription was used in the United States before its abolishment and provides the context for why it was abolished. Chapter III contains the literature review information utilized to provide a baseline of study. Specifically, two main sources are used to provide the main cost structure, and supporting studies are conducted to form a reasonable standard of understanding. Chapter IV contains the data analysis, the use of the Warner–Asch model of conscription for determining social costs, and a comparison between the three cost structures discussed. Finally, Chapter V concludes this study with recommendations for future researchers, especially in the areas of conducting a cost–benefit or cost-effectiveness analysis.



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# II. BACKGROUND

This chapter provides conscription's background information within the United States, Israel, and South Korea. The history of conscription within the United States informs how recruits were drafted from the War for Independence to the end of the Vietnam War culminating in 1974's abolishment. Furthermore, background information into the factors which led the United States to abolish conscription are discussed in this section with emphasis added to the role of the Selective Service Administration in the event of draft being reinstituted. Finally, the historical context of two democratic nations who practice conscription (Israel and South Korea) are discussed. The key difference between why Israel and South Korea instead of the United States still practice conscription comes from the existence of a real, present threat.

## A. DOMESTIC CONSCRIPTION

Since the introduction of formalized warfare, professional militaries around the world have used conscription (Lehrer, 2001). At its basic level, conscription is the mandatory enlistment of a nation's citizens into the military, usually as a response to outside aggression (Selective Service System, n.d.). This definition is useful in understanding a modern conscripted military as it necessitates the use of force to prepare a standing army or raise a militia in a short amount of time. Due to this, the use of conscription in the United States during times of great conflict such as the Civil War, World Wars I and II, the Korean War, and (most importantly to the subject of this study) the Vietnam War (Selective Service System, n.d.). Although conscription proved useful during these conflicts, it simultaneously has garnered great negative attention on the grounds of free will restriction (Friedman, 1967), conscientious objection (History, 2020), and a loss of faith in the armed forces (Choulis et al., 2019).

## 1. Use of Conscription before the Vietnam War

In the United States, conscription was first instituted (albeit informally) during the War for Independence in 1775 (Lehrer, 2001). This early form of conscription was used in response to low recruitment numbers by General George Washington's Army (Lehrer,



2001). Following the War for Independence, the task and duty of maintaining conscripted militias were given to each individual state to be called upon by the federal government (Lehrer, 2001). The state enforcement of conscription during periods of conflict continued through the War of 1812 and the Mexican–American War (Lehrer, 2001).

The first-time conscription's formal mechanism, drafting, was enacted federally in response to the Civil War in 1863 (Selective Service System, n.d.). Congress authorized President Abraham Lincoln to draft "all able-bodied men between the ages of 20 and 45," especially those who had volunteered and whose enlistment periods were soon to expire (Lehrer, 2001, p. 1). The Confederacy similarly conscripted all "white men between the ages of 18 and 35" (Lehrer, 2001, p. 1). These instances led to the first national draft riots, which occurred in 1863 and escalated to protestors seizing an armory and interrupting registration offices (Lehrer, 2001). In the ensuing chaos, homes and conscription offices were burned, shops were looted, and many people of color and abolitionists were tortured, resulting in over 1,000 people dead (Lehrer, 2001). Troops were dispatched to quell the riot, and Governor Horatio Seymour of New York (who previously urged fighting the conscription measures) relented and advised compliance with the draft (Lehrer, 2001).

Following the Civil War, conscription was used briefly in the Spanish–American War but not again until it was more formally organized with the passage of the Selective Service Act (SSA) of 1917 in response to World War I (Selective Service System, n.d.). In the aftermath of its enactment, 2,666,867 citizens were conscripted, and, in 1918, over 16,000 men were arrested as "draft dodgers" (Lehrer, 2001, p. 2). The passage of the SSA began a major shift in the mindset of Americans (especially young men), as military service was now linked directly to citizenship (History, 2020).

World War II brought about the return of conscription, but unlike during World War I, this time it happened before the United States was at war. The draft began before the attack on Pearl Harbor and, over the course of the war, would lead to 10 million citizens being inducted into the armed forces (Selective Service System, n.d.). For the first time since the United States began using conscription, the draft occurred both during a time of peace and included formalized civilian appeal boards to address the concerns of



students, conscientious objectors, and those with disabilities (Selective Service System, n.d.).

After World War II, the U.S. military's recruitment numbers waned in the face of the Cold War and the conflict in Korea (Lehrer, 2001). At President Harry Truman's urgence, Congress updated the SSA to allow the president to draft 19–25-year-old men into service for a 12-month period without a declaration of war (Selective Service System, n.d.). In the Korean War, the SSA was updated again, changing the 12-month period to an 8-year service commitment with draftees entering a "reserve status" following their obligation (Selective Service System, n.d.). Resistance to the draft was still prevalent, but protests were infrequent until the Vietnam War (History, 2020).

## 2. Conscription's Abolishment

Current discussions about conscription are focused mainly on its abolishment. The war in Vietnam began with a low-scale recruitment effort made of a mix of volunteer and formerly conscripted enlisted and non-commissioned officers (NCOs) under the 1952 SSA (Lehrer, 2001). As the need for manpower ballooned over the next few years, the United States saw a drastic resurgence in the use of the draft (Lehrer, 2001). The war dragged on and became more unpopular, which led to anti-war demonstrators campaigning against military measures such as a conscripted force (Rostker, 2023). Included in these resistance demonstrations were draft dodgers themselves, measuring in the tens of thousands and evading through tactics such as burning draft cards, fleeing the country, or joining conscientious objector organizations (Rostker, 2023).

As a result of the mass protests, President Lyndon Johnson ordered the creation of a special study commission to recommend changes in the Selective Service structure (Lehrer, 2001). The commission was chaired by former Secretary of Defense Thomas Gates Jr. and relied on the input of outside organizations and individuals like the renowned economist Milton Friedman (Rostker, 2023). Friedman (1967) took an extraordinarily strong approach to the topic of conscription when he argued, "The disadvantages of our present system of compulsion and the advantage of a voluntary army are so widely recognized that we can deal with them very briefly" (p. 1). Furthermore, he argued in favor of an AVF by saying, "There is no reason why we



cannot move to volunteer forces gradually—by making conditions of service more and more attractive until the whip of compulsion fades away. This, in my opinion, is the direction in which we should move, and the sooner the better" (Friedman, 1967, p. 1).

The commission ended its investigation in 1971 when President Richard Nixon signed legislation that would officially end the draft in 1973 (Lehrer, 2001). In his address to the American people, Nixon declared:

Today all across our country we face a crisis of confidence. Nowhere is it more acute than among our young people. They recognize the draft as an infringement on their liberty, which it is. To them, it represents a government insensitive to their rights, a government callous to their status as free men. They ask for justice, and they deserve it. (Rostker, 2007, p. 15)

In the beginning of 1973, former Secretary of Defense Melvin Laird declared the "use of the draft has ended" (Rostker, 2023, p. 143). Conscription in the United States through the Selective Service was put in a "deep standby" as the military moved to an AVF (Selective Service System, n.d.). The transition in the 1970s to an AVF was marked primarily by an increase in spending on quality-of-life measures for military members that were unseen by many of the conscripts of previous generations (Rostker, 2023). Additionally, recruiting centers were overhauled to make up for the decreased number of personnel coming into the service (Rostker, 2023). These additional recruiting measures were particularly important leading up to the Gulf War and the War in Afghanistan, as all personnel would now be recruited rather than conscripted (Rostker, 2023).

# 3. Modern Draft Threat

Following conscription's abolishment in 1973, a slump in recruiting caused policymakers to worry about conflicts closer to home (Rostker, 2023). To prepare for an emergency, the United States reinstated the Selective Service in 1980 with a new mission set (Selective Service System, n.d.). Under the new and current system, all men in the United States are required to register with the selective service no later than "30 days after their 18<sup>th</sup> birthday" (Selective Service System, n.d.). This registration was also tied to the disbursement of federal aid, such as the Free Application for Federal Student Aid (FAFSA) until 2020, to ensure compliance (Federal Student Aid, n.d.).



The resurgence of conscription measures today is unlikely but remains possible in the event of a national emergency; therefore, the SSA continues to train in the event of a draft call (Selective Service System, n.d.). To combat the possibility of a draft's necessity, the volunteer force remains in effect, with a growing number of initiatives to improve the force as a whole and attract more volunteers (Black, 2023). These initiatives, however, have come at an increased cost and a decreased rate of effectiveness, as evidenced by recruiting targets falling short for the last several years (Black, 2023).

The increasing cost of an AVF combined with the decreasing rate of recruitment's effectiveness is of most concern to the modern military force in relation to draft reinstatement. The current house panel for military quality of life concluded its most recent session in April 2024 by stating:

Our 50-year-old All-Volunteer Force is being put under serious stress today and it is incumbent on Congress to address the pay and living condition issues that are undermining recruitment. The Panel's bipartisan policy recommendations seek to make significant improvements in the quality of life for our service members and their families. (House Armed Services Committee, 2024, para. 2)

To keep up with the increasing demands from recruits and current military personnel alike, the federal government will need to continue increasing the Department of Defense (DoD) budget consistently and drastically (House Armed Services Committee, 2024). This is the main point supporters of draft reinstatement make when comparing the current volunteer force to partial conscription (Rostker, 2023). The fear is that the cost of maintaining a volunteer force will continue to increase until the military has shrunk to untenable levels (Rostker, 2023). The purpose of this study is to provide context to the point of increased cost.

## B. INTERNATIONAL CONSCRIPTION

Beyond the United States is the matter of conscription within the wider world. Currently, 66 nations utilize explicit compulsory military service, 19 use a form of conscription with varying usage, and the remaining 91 countries recruit only through volunteers (World Population Review, 2024). Both authoritarian countries like Russia and democratic counties like South Korea practice forms of conscription. Using the Economic Intelligence Unit's Democracy Index to categorize the 66 countries that utilize



compulsory military service, nine are considered democratic, 30 are listed as "flawed" or "hybrid" democracies, and the remaining 27 nations are regarded as authoritarian (World Population Review, 2024). From these numbers, it is clear that most authoritarian governments prefer conscription more than those that lean more democratic do. Important to this study are the reasons the nine democratic countries have compulsory military service, which are discussed utilizing two examples: South Korea and Israel.

## 1. South Korean Conscription

Although South Korea has had compulsory military service since the Goryeo Dynasty, the main reason for South Korea's modern conscription force hinges on the tension between North and South Korea (ROK Military Manpower, n.d.). Following the armistice of the Korean War in 1957, South Korea enshrined conscription within the constitution by stating, "All citizens shall have the duty of national defense under the conditions as prescribed by the Constitution" (ROK Military Manpower, n.d.). The purpose of a compulsory military service requirement is due to the general ceasefire, rather than a peace treaty, which was established between North and South Korea (ROK Military Manpower, n.d.).

Though public sentiment toward conscription is mainly positive and most see it as a necessity, the practice is also considered burdensome (Mesmer, 2023). Many conscription-related controversies have arisen, such as those related to public stars being forced into military service when they do not meet certain criteria for a performing arts deferment (Mesmer, 2023). Nonetheless, the ongoing war with North Korea has necessitated a rite of passage for young men to serve in the military before reentering civilian life (Webb & McCardle, 2023).

Toward the aspect of costs, South Korea has noted conscription as an institution has allowed for decreased military costs to be spread between young adults who would be unable to enter the workforce regardless (Webb & McCardle, 2023). To the government, a move to an AVF would result in a massive downscaling of military forces that could not be bolstered through incentives like increased pay or benefits (Webb & McCardle, 2023). Furthermore, the South Korean government is at an impasse, as it would need to lean heavily on a foreign military presence if it were to move away from a conscripted



force (Webb & McCardle, 2023). Relatedly, this will become an ever-present point of concern for the government, as the number of eligible young men has decreased due to South Korea's lower birth rates ("S. Korea's low birth rate," 2023).

As it stands, conscription in South Korea will remain until peace is established on the peninsula or drastic changes occur within the government as a response to internal and external pressure. Nonetheless, public sentiment toward drafting young men into service is seen as acceptable due to the presence of a real, imminent danger to the north. Presumably, without this threat, conscription would be abolished. Until such time, compulsory military service will remain the norm in South Korea.

# 2. Israeli Conscription

On the other side of the world, Israel is another democracy with a strong tradition of conscription. Ever since Israel's establishment after World War II, it has enforced strict measures to enlist all able-bodied men and women into the Israeli Defense Force (IDF) (Britannica, 2024). The most recent figures from the IDF show that 69% of men and 56% of women who turn 18 in Israel enlist (Nechin, 2023). Even with a significant percentage of the population being compelled into military service, the IDF still fails to meet recruiting goals due to those whose commitments are deferred or who evade the draft altogether (Levush, 2019). These lower-than-required recruiting numbers point to the main reason for enacting conscription in the first place: a real, imminent danger (Britannica, 2024).

The IDF was created on May 31, 1948, two weeks after Israel declared independence, in response to its "need to defend itself from its numerically superior enemies" (Britannica, 2024). From the outset, Israel understood itself to be a small power surrounded by enemies on all sides. This mindset created the mantra and guiding principle to never lose a single war, as just one could be its last (Britannica, 2024). Conscription efforts began immediately, and the IDF's forces now measure around 125,000, with at least two-thirds of IDF members being conscripts (Britannica, 2024).

Similar to South Korea, Israel sees conscription as a standard of life, which is today marked as the first 32 months for men or 24 months for women after reaching the



age of 18 (Nechin, 2023). Public sentiment among those without active deferments (such as those for religious students or married women) is positive toward conscription as a way of life (Nechin, 2023). Following their first service commitment, IDF conscripts have access to many resources to transition from active-duty military service to the four-decade-long reserve unit commitment in the private sector (Britannica, 2024).

There has been some pushback to active conscription, especially with regard to conflicts in Yemen and the recent (and currently ongoing) conflict in Gaza with Hamas (Nechin, 2023). Tal Mitnik, an individual who refused to be conscripted at the onset of the conflict in Gaza, said, "I refuse to believe more violence will bring security. I refuse to take part in a war of revenge" (Nechin, 2023, para. 1). Most pushback to conscription as an institution has been to specific conflicts using military force rather than the overall concept of compulsory military enlistment (Nechin, 2023). It is currently understood throughout Israel that individuals commit the mandatory time requirement or pursue educational or religious studies upon turning 18 (Nechin, 2023).

With regard to cost, the IDF currently justifies its budget and conscription measures based on the real danger surrounding Israel on all sides (Britannica, 2024). Although Israel does have a major military alliance with the United States, the IDF and Israeli parliament find an internal force paramount for ensuring the country's sovereignty (Britannica, 2024). Due to recent political pressure, the IDF stands out in terms of military pay, as it plans to increase basic military compensation for conscripts by up to 50% to closely match the volunteer pay rate (Heimann, 2021). This shift may negate some of the benefits of keeping conscription in Israel, but it remains to be seen if this move will spark interest in its abolishment all together.

Israeli conscription is viewed as a positive institution, and this sentiment is expected to continue into the near future. Recent political moves such as the war with Hamas and increased compensation for recruits may increase the rate of draft-dodging measures or calls for conscription's abolishment altogether; however, the impacts of these policy shifts remain to be seen. For now, compulsory military service in Israel will continue for as long as it has numerically superior enemies surrounded on all sides and representing a real, imminent danger (Britannica, 2024).



# III. LITERATURE REVIEW

Previous studies on the topic of a peacetime draft used many factors to determine the costs, benefits, and effectiveness of a force that utilizes volunteer recruits, draftees, or a combination of both. The purpose of this study is to measure the costs associated with conscription and the current expenses borne by the United States under the all-volunteer system. A literature review revealed that there are two overarching categories that define the extent to which this topic has been studied. The first is the economic costs associated with conscription. The GAO (1988) defines the economic costs of conscription as those the nation bears directly in the form of direct or indirect compensation. The second lies in the societal costs that citizens bear when compelled into military service (Warner & Negrusa, 2006). Warner and Negrusa (2006) define the societal costs of conscription as the secondary effects a country will endure throughout the recruiting, accession, and separation process for each new recruit. In short, previous studies have concluded that there exist six sub-categories for the economic costs and three sub-categories for the social costs.

#### A. ECONOMIC COSTS

The easiest to understand between the two costs are the economic costs. In relation to conscription within the United States, two main reports are important for determining the economic costs, while a broad range of literature exists that critiques aspects of other economic-related reports, such as their methodology and data. In 1988, the General Accounting Office (now Government Accountability Office or GAO) wrote the first report, which functioned as a check-and-balance on the 1972 decision to end the draft entirely. In 2007, the Congressional Budget Office (CBO) wrote a second report that revised the GAO's findings in relation to the then-ongoing War in Afghanistan and revisited the proposal to reinstitute the draft based on costs alone. Further articles to be discussed include a Syllogistics Inc. study from 1986, which was one of eight studies the GAO analyzed in its main report. Additional information comes from commentary by Australian and Estonian foreign powers in 1977 and 2021, respectively, which critiqued the findings of the GAO, Office of Management and Budget, and the U.S. president's



commission on ending the draft in 1974. Most important for understanding this section are the assumptions listed in the GAO subsection and the six categories listed at the end of the CBO subsection.

# 1. General Accounting Office

The GAO reviewed the studies of eight organizations in 1988 to find the costs relevant to conscription, measure them in relation to the end of the draft in 1974, and project what the costs or savings of keeping the draft would be to the armed forces at the time. After its review, the GAO (1988) established specific categories common among the studies, which made up the "economic costs" (p. 11). These categories are RMC, bonuses (enlistment and reenlistment), recruiting resources, retirement benefits, selective service system, training costs, accession-related costs, educational benefits, and lost income tax revenues (GAO, 1988). These factors were considered the most important, as they were determined to be the only variables that would change how a force was recruited, not how it operated. In the end, the GAO (1988) found that a switch to partial conscription (similar to before 1972) would result in an estimated budgetary savings of "\$7.8 billion a year" (in 1987 dollars; p. 24).

Further in the study, the GAO (1988) made a few key assumptions when it conducted its research. Most important to the study are the GAO's (1988) following assumptions:

- The services would maintain current enlisted end strength (about 1.85 million).
- Draftees would serve for 24 months.
- Basic pay for all first-term personnel would be cut by 50 percent from current levels (\$608) for the first 2 years of service and by 25 percent for the third and fourth years.
- Compensation for careerists would not change from its current level.
- Expenditures on recruiting and advertising (apart from enlistment bonuses) would be reduced to what they were during 1964 (inflated to 1987 dollars), which was the last time a peacetime draft was in place.
- Enlistment bonuses would be eliminated.
- The draft would be implemented at the start of fiscal year 1988.



• A labor supply elasticity of 1.25 was used to estimate the reduction in the number of volunteers associated with the cut in pay and bonuses under the draft. (pp. 23–24)

As noted in the report, the main savings would be in the reduction of RMC to the initial personnel while also substituting careerists for draftees. Specifically, the GAO (1988) "estimated 237,000 first termers would be substituted for careerists, and an estimated 115,000 would need to be drafted" (p. 25). Further noted was the decreased spending on military retirement, elimination of bonuses, and decreased recruiting costs, which would all increase the savings rate (GAO, 1988).

The GAO (1988) report concluded with a discussion regarding the conscription policies in the 1980s of the Soviet Union, Germany, the United Kingdom, and France while also pointing to the main limitations of the analysis, with the most important being the broader societal costs associated with conscription. The report referred to items such as the "conscription tax," which represents the lost income of draftees who may have been willing to volunteer if given the choice (GAO, 1988, p. 35). Another example was defining the amount of personnel who expected to enlist, as each service branch would decrease its RMC for careerists to pay less for draftees, which would incentivize cheaper recruits who would be less effective than careerists (GAO, 1988). A final example relative to this study is the discussion of draft avoidance measures on the larger economy, which would need to be extrapolated to give a reasonable expectation for the wider government to consider adoption (GAO, 1988).

The GAO (1988) report focused more on providing ways in which conscription would clearly be the best system instead of acknowledging (from a cost perspective) the improbability of drastic measures such as an immediate cut to RMC. Furthermore, the expressions to determine the labor size requirements for the 1980s would be inconceivable for the 2020s. The rate given as an assumption (1.25) seems far too low today, as the purchasing power following a 50% cut in the 1980s versus today is more drastic. Furthermore, the GAO (1988) seemed to only list a small number of variables, which do not seem to encompass all areas that would change for a conscripted versus AVF. While these weaknesses are acknowledged, the GAO (1988) report still provides the most comprehensive study for the 1980s and gave credence to how future studies



should be modeled. In addressing these concerns, the next main report, conducted by the Congressional Budget Office (CBO) in 2007, provided an updated look at the GAO's (1988) methodology.

## 2. Congressional Budget Office

Following the entrance of U.S. forces into Afghanistan after 9/11, Congress wanted to review the prospects of initiating a peacetime draft. In response, the CBO (2007) began an investigation into the plights of 2007's all-volunteer recruitment model while addressing the ultimate decision to remove the draft in the 1970s based on the President's Commission on an All-Volunteer Armed Force, commonly known as the Gates Commission, and the findings of the GAO in the 1980s.

In discussing the Gates Commission, the CBO (2007) noted that costs such as draft evasion, mismatched skills placement, and increased retention rates point in favor of an AVF. On the other hand, the Gates Commission also contended with leading economists at the time that the budgetary costs of an AVF were still much higher than those of a partially conscripted one (Gates et al., 1970). The CBO (2007) concluded, based on the assumptions and findings of the Gates Commission, that a peacetime draft would always be more costly on society at large; however, times of war and self-defense can provoke the need for and feasibility of a draft.

Following its take on the Gates Commission, the CBO (2007) then addressed the findings previously discussed in this study regarding the GAO's 1988 report on the AVF versus the draft when it comes to "budgetary" (or economic) costs alone (p. 12). The CBO (2007) found that the GAO (1988) concluded a total cost increase of around \$3 billion measured in 1974 dollars (estimated to be around \$10 billion at the time of the CBO report or \$19 billion today) due to a shift from a partial conscription recruitment model to one based on the AVF. In response to these findings and the retorts given to the GAO's (1988) report, the CBO (2007) found the \$3 billion (in 1974 dollars) increase "paid to service members under the AVF could also be considered the lower-bound cost of the in-kind tax on draftees" (p. 13). The CBO (2007) study also addressed concerns regarding the effectiveness of an AVF versus a conscripted one within the confines of the GAO (1988) report; however, these findings are irrelevant for the purposes of this study,



which is measuring cost, not effectiveness (see Chapter V for recommendations on future research, including effectiveness).

In response to the Gates Commission (1970) and GAO (1988) reports, the CBO (2007) conducted its own study into the economic costs regarding conscription. The CBO (2007) presented six different scenarios into what an AVF or partially drafted force would look like (and more importantly cost) given increased, steady, or decreased recruitment numbers. Furthermore, the CBO (2007) compared the costs between an AVF with the three different recruitment scenarios, a hybrid force with two scenarios, and a final, mostly drafted force. Under these scenarios, the CBO (2007) found a straight draft without any major changes to pay structure would save the government between "\$800M and \$1.1B" (in 2007 dollars) per year, mostly due to the shift from more senior careerists being replaced by newer drafted recruits (p. 35). Furthermore, the CBO (2007) argued against negating recruitment costs, as throughout each of the scenarios, the military would still need to provide recruitment bonuses and staff recruitment offices, unlike the assumptions in the GAO (1988) report. Instead, the CBO (2007) found the volunteer recruitment centers would be downscaled, but not enough to account for major changes in force structure costs.

Further into the study, the CBO (2007) estimated that the military would need to increase the number of recruits going through training to make up for the loss in force as the years progressed. Specifically, the CBO found that costs could increase between "\$150M-\$600M per year" (in 2007 dollars) depending on the scenarios analyzed (p. 36). Even with the additional costs, the CBO found a net savings of "\$200M to \$950M" (in 2007 dollars) relative to a personnel budget for 2006 being \$6 billion for the initial ranks (E-1 to E-3), which would most be impacted by the draft (pp. 35–36). Although each estimate was inconclusive on the exact budgetary outcome of reinstating the draft, the general conclusion was that costs alone would decrease (CBO, 2007).

Most important to the understanding of this study from the CBO (2007) report is the rationale supporting negating recruitment effects such as enlistment bonuses on total cost savings calculations. To this end, the CBO noted that recruitment efforts would decrease specifically with regard to personnel manning each station; however, advertising



and recruitment bonuses are factors that should remain unchanged. Furthermore, the CBO reports helped to clarify the categories determined relevant to future calculations of differing costs within conscription models, which is important to how this study is conducted. The CBO report changed the relevant categories to RMC, training costs, educational benefits, clothing allowance, and medical care with the changes in recruitment costs as noted previously.

#### **3.** Related Literature

Though many critiques of these two reports have surfaced since conscription was abolished in the 1970s, the first occurred several years before the end of conscription in 1974. In a letter regarding the ongoing war in Vietnam, renowned economist Milton Friedman (1967) sought to sway the public in favor of conscription's abolishment. Friedman (1967) argues in favor of an AVF on moral and societal benefit grounds while also seeking to appeal to the cost-effectiveness aspect of a more professional force. Friedman (1967) acknowledges an expected cost increase of "\$3B-\$4B" under an all-volunteer model but also weighs the increased effectiveness of a force that is not compelled into military service (p. 4). Furthermore, Friedman (1967) argues that efforts to enforce mandatory service only seek to increase the costs of conscription but would be negated by an AVF. Finally, Friedman (1967) discusses the largest implication of a conscripted force, which is the tax paid by conscripts through the forced opportunity cost of their time when they could have worked in the private sector. Friedman (1967) concludes by urging for the transition to an all-volunteer army and to avoid the "barbarous custom" of compelling young men into military service (p. 8).

Another related conclusion comes from Peter Berck and Johnathan Lipow's 2011 findings regarding the socially optimal amount of military personnel for countries that utilize conscription, hybrid, or AVFs. The main findings from the study are the deadweight losses (or economic productivity costs without benefits) associated with an all-volunteer model, as a government will trend toward hiring too few personnel and will make drastic changes to meet its recruiting goals, which perpetuates an ever-increasing force cost (Berck & Lipow, 2011). On the other hand, countries that utilize conscription-based models tend to weed out personnel when the conscripts are no longer required.



This, too, perpetuates a cycle of increased training costs, as a military force made of conscripts can be easily upscaled; however, a government pays a higher cost in downscaling. To combat both, the authors propose a hybrid system that pays volunteers and conscripts on two separate pay systems. The higher pay system for volunteers corresponds to better benefits but a longer first-term service commitment. The lower pay system for conscripts will have fewer benefits and a shorter term. The authors argue that this is the best middle ground to minimize the deadweight loss apparent in both systems.

Relatedly, Ville Kaitila and Niku Määttänen (2021) conducted an analysis at the University of Helsinki to compare the costs associated with conscription models and relate them to gross domestic product (GDP). In doing so, the authors found that the costs associated with an AVF increase in the short-term as more personnel are paid higher wages while developing necessary skills (Kaitila & Määttänen, 2021). In the long-term, the continued training of new recruits outpaces the increased wages when adjusted for inflation (Kaitila & Määttänen, 2021). Furthermore, the authors found that the increase in GDP for countries with AVFs is misrepresented when compared to countries with conscripted forces, as the "higher GDP does not necessarily mean higher welfare" (Kaitila & Määttänen, 2021, p. 12). The authors conclude by recommending an AVF for most situations of standing armies but acknowledge that increased threats from foreign actors can push nations to a hybrid model of military service.

At Syllogistics Inc., Steven Morris et al. (1986) discovered major discrepancies in how a conscripted force could continue in peacetime versus wartime. The researchers found reenlistment bonuses would need to be extended in a hybrid environment to minimize the skill loss due to increased turnover from newer conscripts (Morris et al., 1986). The researchers compared this increased funding requirement to the drawdown of recruiting resources and concluded the total savings of a hybrid versus AVF is too small to be considered reasonable (Morris et al., 1986). Instead, the authors concluded in favor of a total AVF with moderate to low bonuses to encourage only enough participation within the force to balance budgetary restrictions with less than full manning (Morris et al., 1986).



#### **B.** SOCIETAL COSTS

The other discrete, overarching category lies in the societal costs of implementing a volunteer or conscription-based model for military recruitment. Based on previous research regarding societal costs of different force models, there are at least three categories that must be considered. The first category, from John Warner, an economics professor at Clemson University, and Beth Asch (1996), a senior economist at RAND, is the deadweight tax loss associated with military compensation decreasing under most conscription-based models. Second, also from Warner and Asch (2001), is the opportunity cost of those compelled into service. Finally, a draft evasion cost has been mentioned in previous economic models of conscription but had not been calculated in those estimates. Instead, many authors dive into the topic and produce different methods to calculate this relevant (and expensive) aspect of societal costs. To stay consistent with the two other metrics, Warner and Sebastian Negrusa (2006), vice president of research for the Workers Compensation Research Institute, have created a draft evasion model to be used for this societal cost.

#### 1. Warner–Asch Model

Warner and Asch sought to create a formula for calculating the societal costs of conscription and relate them to the costs of the AVF in 1996. The authors first related the effects of opportunity cost based on an individual's willingness to enlist with that individual's potential earnings outside of military service (Warner & Asch, 1996). Warner and Asch (1996) present Equation 1,

$$C_{O}^{V} = aF + 0.125bF^{2}, \tag{1}$$

to represent the opportunity  $\cot(C_0^V)$  for a volunteer force, where *a* represents the population willing to volunteer regardless of pay, *F* is the desired size of a military force given by the military outright, and *b* represents the slope of the supply curve. The supply curve, *b*, is derived by Equation 2,

$$b = \frac{g}{M - Z(g)},\tag{2}$$



where g represents the budgetary size of recruiting efforts, M is the number of recruits given a high RMC, and Z(g) is the quantity of recruits given a lower RMC (Warner & Asch, 1996). Per Warner and Asch (1996), g is determined by how much is spent on recruiting efforts, M is the projected increase in wages to make up for recruiting shortfalls, and Z(g) is the current number of recruits accepting current pay. In other words, if total recruiting goals are met, the total opportunity cost for the force is null, as recruits determine they do not lose out on other opportunities (therefore costs). When there is a discrepancy between the desired number of recruits and those who wish to enlist, the opportunity cost is too high (and is given by the function) to reach the total force requirement.

Similar to Equation 1, Equation 3 represents the total opportunity cost of a drafted force  $(C_0^C)$ ,

$$C_{O}^{C} = aF + 0.125b[(3c_{1} - 1)c_{1}(\frac{F}{1 + c_{1}})^{2} + NF(\frac{1 - c_{1}}{1 + c_{1}})$$
(3)

with two variables that differ from the volunteer model:  $c_1$  and N (Warner & Asch, 1996).  $c_1$  is the fraction of new recruits (drafted or otherwise) that is retained in the second period, while N represents the population of individuals available for conscription, which is noted as all males between the ages of 18 and 24. Warner and Negrusa (2006; in their commentary on Warner and Asch [1996]) note this equation by saying, "Unless conscripts are permitted to hire substitutes or trade in lottery tickets is allowed, this cost will be larger than the opportunity cost of a volunteer force" (p. 87).

The next section is the tax deadweight loss, shown as a decreased amount of taxes collected by the government due to less wages paid to a conscripted force (Warner & Asch, 1996). In their study, Warner and Asch provide Equation 4 in regard to the tax deadweight loss for a volunteer force ( $D^V$ ):

$$D^{V} = \beta \left(a + \frac{b}{2}M\right)F.$$
(4)



In keeping with the same variables as Equations 1–3, Equation 4 utilizes  $\beta$  to mean the tax distortion economic loss per dollar, which is determined to remain constant at \$0.30 per dollar, or 30% of the provided wages, as loss (Warner & Asch, 1996). Meanwhile, *M* is denoted as the total new recruits as a percentage of the total force, *F*.

Similarly, Warner and Asch (1996) provide Equation 5 in regard to the tax deadweight loss for a drafted force (D<sup>C</sup>),

$$D^C = \beta W_D^M F, \tag{5}$$

where  $W_D^M$  represents the decreased wage paid to conscripts. As noted by Warner and Negrusa (2006; in their commentary on the Warner and Asch [1996] model), unless the wage paid under the volunteer system is the same as the wage paid under a conscriptionbased model, the tax deadweight loss will "rise exponentially under a volunteer force" (p. 88). However, these authors noted that "these costs rise only linearly under a draft due to the fact that additional personnel may be brought in (under compulsion) at a fixed wage" (Warner & Negrusa, 2006, p. 88).

The final section relevant to this study is the social cost of draft evasion. The direct costs of draft evasion, from those who burned draft cards, expatriated, or were declared Away Without Leave, were made evident during the Vietnam War (Lehrer, 2001). In measuring the impact of draft evasion, it must first be noted that this factor does not happen everywhere equally. For instance, the South Korean government in 2023 reported only 137 men—out of roughly 30,000 drafted—who sought to evade their mandatory service requirement for non-excusable reasons (Jun-hee, 2023). On the other hand, an estimated 700 Russians evaded the draft in March 2024 alone due to the conflict with Ukraine (Cook, 2024). Nevertheless, Warner and Negrusa (2006) provide Equation 6 to estimate the social cost of draft evasion ( $C_E$ ):

$$C_{E} = (C_{e} + \theta J)(N - N') + C_{G.}$$
(6)

In Equation 6,  $C_e$  is the direct cost to an individual evading the draft, which ranges from simply burning a draft card to fleeing the country (Warner & Negrusa, 2006).  $\theta$  represents the probability the government can prevent evasion, which has ranged



in effectiveness depending on the period of history examined, while J is the penalty for evading a draft and being caught. As noted by the authors, "The penalty might include jail time and possible loss of future earnings due to a prison record" (Warner & Negrusa, 2006, p. 89). N' is the population of individuals available for conscription whose opportunity cost is higher as a conscript than as a civilian. Finally,  $C_G$  is the total cost to the government to prevent draft evasion, regardless of outcome.

These figures represent the total societal costs to be analyzed in this study. Regarding data collection, each variable is tested in multiple ways to verify the validity of the results. For example, Warner and Negrusa (2006) use these equations to calculate different societal costs for countries that used conscription and an all-volunteer system by relating the factors to each country's GDP increases (or decreases). Relevant to this study, the formulas are used to directly compare the societal costs of an AVF with those of a conscripted force model.

#### 2. Related Literature

Related to the societal costs are studies regarding social disruptions and deferments. Beginning with social disruptions, Yaavoc Lifshitz (2010), the former director general of the Israeli Ministry of Finance, explored the economic problems related to Israel's conscription model and applied them to the discussion on income inequality and how it affects future opportunities for growth. Lifshitz (2010) found that conscription mismanaged personnel by pulling young adults out of society to perform military service and then thrust them back into their lives after their commitment expired. Although an AVF has similar prospects for distorting the actual outcomes and upward mobility projected versus real change, Lifshitz (2010) found an AVF recruited through market pressure preferrable to conscription.

Next comes an interesting offset of opportunity cost: deferments. Deferments are the appropriated tax collected or condition informed to a central government for an individual to avoid being conscripted. The two types of deferments, as defined by Tim Perri (2010), professor of economics at Appalachian State University, are costless (medical, occupational, or educational) and costly, where "one must expend resources to become a member of a deferred group" (p. 1). In the context of conscription through a



lottery or vulnerability system, deferments provide a way for those with high opportunity cost to shift to a lower actual cost. Perri contends that this effect negatively impacts the wellbeing of a country but can be negated under three scenarios. First, the negative social outcomes of a conscripted force are negated to a volunteer military if a sizable portion of the population is required to serve (e.g., World War II). Second, if conscription is used during this massive upscaling, the welfare of all those deferred and those drafted is improved when the deferment's benefits are small. Finally, Perri found that World War II may represent one of the only times when the social costs of conscription versus a volunteer military were of equal value. Each finding points to the overarching lesson learned from Chapter II: Conscription is only truly considered when there exists an existential threat, and the negative impacts of deferments can be negated under these circumstances.

In this chapter, the economic and social costs, along with each costs' associated metrics, were discussed. From the economic costs, the GAO (1988) and CBO (2007) defined the most important metrics for measuring cost differentials between the drafted and AVF as those that deal with direct compensation to the new recruit (such as RMC). From the social costs, Warner and Asch (1996) and Warner and Negrusa (2006) provided equations for determining opportunity costs, tax deadweight loss, and draft evasion for all-volunteer and conscripted forces. Discussed in-between were the nuances regarding related matters such as long-term sustainment and the effect of deferments on the larger populace. The biggest takeaway is in understanding the importance of the differences between an all-volunteer and a conscripted force, as these are used to present a total cost model of the economic and societal costs.



# **IV. ANALYSIS**

The purpose of this study is to calculate the economic and social costs of conscription in the United States from the decision to end compulsory military service in 1972 to today. Section A of this chapter presents assumptions taken from the literature review and applied to this study to limit the scope of data collection and analysis. These assumptions give the two equations to be solved to calculate the total cost of the all-volunteer and conscripted forces using only the factors relevant to be changed between the two structures. In plotting these equations, Figures 1 through 3 graph the differences between the force structures and demonstrate the significant factors key to the conclusion given in Section C.

## A. METHODOLOGY

The following assumptions, from the literature review in Chapter III, are used in the analysis:

- 1. Economic cost factors considered relevant to conscription are RMC, basic training, initial skills training, the GI Bill, recruiting, clothing allowance, and medical care (CBO, 2007).
- 2. Social cost factors considered relevant to conscription are tax deadweight loss, draft evasion, and opportunity cost (Warner & Negrusa, 2005).
- 3. Personnel grades for conscripted personnel or volunteer recruits that contain only E1 and E2s as conscripted personnel are expected to serve only a 2-year commitment.
- 4. RMC for all personnel in Assumption 3 are reduced by 50% from each respective year's rate (GAO, 1988).
- 5. The slope of the supply curve without active recruiting is 1.25 (GAO, 1988).
- 6. The percentage of new recruits who continue to the second period is 55% (GAO, 2000).
- 7. Recruitment numbers under conscription increase by 5% per year due to Assumption 3. The lower expected service commitment implies increased recruitment efforts to be sustained in the long term. To simplify this expression (in contrast to 4-year commitments), a slight increase in total conscripted personnel at any given time is assumed (Berck & Lipow, 2011).



- 8. Recruiting costs account only for recruiting (defined as the administrative cost to bring a civilian to basic training) and advertising (which is null for a conscripted force; CBO, 2007).
- 9. Under the social costs of a conscripted force, the value of *a* is exceptionally low (0.00001), as almost no one will volunteer for military service given no pay during peacetime (Warner & Negrusa, 2006).
- 10. Under the social costs of a conscripted tore, the  $\forall alue b \in C_e$  is extremely low (\$10), as, on average, it costs a single person extraordinarily little to avoid the draft (such as burning a draft card), but this cost could rise drastically for certain civilians (such as those who expatriated; Lehrer, 2001).
- 11. Under the social costs of a conscripted force, the value of  $\theta$  is moderately high (80%), as the government has a good chance of stopping draft evasion individuals if it pursues prosecution (Warner & Negrusa, 2006).
- 12. Under the social costs of a conscripted force, the value of N' is exceedingly high (99%), as very few people will pursue draft evasion given the penalties if the government chooses to prosecute (Warner & Negrusa, 2006).
- 13.  $C_G$  of \$2,000 per person (on average) to pursue evaders is assumed to be a medium-low cost to the government (Hunt et al., 2017).

With these assumptions in mind, the methodology for calculating the economic and social costs of conscription is taken directly from the CBO's (2007) report with inputs from the GAO's (1988) report to add in social costs from Warner and Asch (1996) and Warner and Negrusa (2006). Combining these reports gives the following two equations:

$$TC_{V} = R + T_{B} + E + A_{C} + C_{M} + T_{I} + C_{R}^{V} + D^{V} + C_{O}^{V},$$
(7)

where  $TC_V$  is the total cost for an AVF,  $TC^C$  is the total cost for a conscripted force, 0.5 is given by assumption 4, *R* is RMC, 1.05 is given by assumption 7,  $T_B$  is basic training,  $T_I$ is initial skills training, *E* is education costs from the GI Bill,  $C_R^V$  is all-volunteer recruiting,  $C_R^C$  is conscripted recruiting,  $A_C$  is clothing allowance,  $C_M$  is medical care,  $D^V$ is all-volunteer tax deadweight loss,  $D^C$  is conscripted tax deadweight loss,  $C_O^V$  is allvolunteer opportunity cost,  $C_O^C$  is conscripted opportunity cost, and  $C_E$  is evasion costs. Taking these factors and applying data allow for the all-volunteer and conscripted force cost structure,  $TC^V$  and  $TC^C$ , to be known and analyzed.



# **B. DATA**

Following the methodology, the seven economic and three social costs' data were gathered, as explained in the following sections.

# 1. Regular Military Compensation

In determining the economic cost to an AVF for RMC, the pay rate would be multiplied by each conscription-eligible personnel (per Assumption 3, E1s and E2s) per year. Data for the pay rates of E1 and E2 personnel, from 1972–2024, was provided by the Defense Finance Accounting System (DFAS, n.d.). To determine the total number of conscription-eligible personnel, data from 1972–1976 was collected from *Washington Headquarters Services Directorate for Information: Operations and Reports* (Defense Manpower Data Center, 1976) through the Defense Manpower Data Center (DMDC) archives. The remaining data from 1976–2024 was provided by DMDC directly (DMDC, 2024). The pay rate and conscription-eligible personnel were each multiplied by 12 to get the annual cost for RMC per rank then added to get the total RMC economic cost factor. The conscription-based RMC economic cost factor was multiplied by 0.5 in accordance with Assumption 4.

# 2. Basic Training

The all-volunteer Basic Training economic costs were given directly by the U.S. Comptroller (2024b) in the *Operations and Maintenance (O&M) Greenbook* from 1998– 2024. The data points from 1972–1997 were derived from the U.S. Bureau of Labor Statistics (2024) *Consumer Price Index Calculator* from the last available data point (1998) to achieve the total Basic Training and Initial Skills Training economic cost factors. The conscription-based Basic Training costs were calculated by taking this data and multiplying by 1.05 (or a 5% increase) in accordance with Assumption 7.

# 3. Initial Skills Training

Initial Skills Training economic costs were given directly by the U.S. Comptroller (2024b) in the *Operations and Maintenance (O&M) Greenbook* from 1998–2024. The data points from 1972–1997 were derived from the U.S. Bureau of Labor Statistics



(2024) *Consumer Price Index Calculator* from the last available data point (1998) to achieve the total Basic Training and Initial Skills Training economic cost factors. The conscription-based Initial Skills Training costs remained unchanged, as the same number of personnel would continue through the training program as in an AVF.

## 4. GI Bill

Data regarding the GI Bill's economic cost was split into three parts, as the benefit has changed drastically since 1972. As such, the Montgomery General Infantry Bill – Vietnam (MGIB-V) total benefit per person from 1972–1982 was given by the Department of Veterans Affairs (n.d.) and Congressional Research Service (CRS, 2008). The GI Bill benefits were updated in the Montgomery General Infantry Bill – Active Duty (MGIB-AD) from 1985–2009 with data given by the VA and CRS again. Finally, the current Post 9/11 GI Bill has been in effect since 2010. Data for the cost to the government has been estimated by the CBO (2019) for 2010–2018 based on the total cost from the bill divided by people who used it. Data from 2019–2024 is given by the Department of Veterans Affairs (n.d.) based on the same metric as the CBO (2019).

Each cost data point given by these organizations is multiplied by the total E1 and E2 personnel per year using the same data listed under section B1 to get the total All-Volunteer GI Bill economic cost factor. For the conscription GI Bill cost, the total All-Volunteer cost was increased by 5% in accordance with Assumption 7.

## 5. Recruiting Cost

Taken from Assumption 8, the only recruiting economic costs relevant to the allvolunteer and conscripted forces are direct costs (such as sending a civilian to basic training) and advertising costs. Direct recruiting and advertising costs were given directly by the U.S. Comptroller in the *Operations and Maintenance (O&M) Greenbook* (2024) from 1998–2024. The data points from 1972–1997 were derived from the U.S. Bureau of Labor Statistics (2024) *Consumer Price Index Calculator* from the last available data point (1998). Adding the direct recruiting and advertising costs together gives the total Recruiting economic cost factor. For a conscripted force, only the direct recruiting costs are considered (as whoever does not volunteer will be conscripted).



#### 6. Clothing Allowance

Clothing Allowance economic costs were given directly by the U.S. Comptroller's website under "Clothing Allowance" (2024a) for all data points from 1972–1997. Based on these data points, the average value of the initial clothing allowance regardless of gender was used per year. This was then multiplied by the total number of recruits per year, which was given by the Office of People Analytics: Department of Defense (2024) from 1976–2024. The number of personnel during the period 1972–1975 was assumed to be 400,000 personnel based on the last available data point (1976). The allowance multiplied by the number of recruits gives the all-volunteer Clothing Allowance an economic cost factor. The conscripted force total number of recruits was multiplied by 1.05 (5% increase) per assumption 7. This increase was multiplied by the same initial clothing allowance cost to get the total conscripted Clothing Allowance economic cost factor.

## 7. Medical Care

Medical Care economic costs were determined by taking the total active-duty cost per year divided by the total active-duty personnel to get the average cost per person. This average was then multiplied by the total number of E1 and E2s (per Assumption 3). The total active-duty medical care costs were provided by the CBO (2023) from 1980– 2024. The remaining data points (1972–1979) were calculated using the U.S. Bureau of Labor Statistics (2024) *Consumer Price Index Calculator*. The total number of activeduty personnel was given by the DMDC (2024) for all years. The total number of E1s and E2s was determined from Section B1.

To determine the conscripted medical care economic costs, the total active-duty medical care costs and the total active-duty personnel were each multiplied by 1.05 (5% increase) to account for Assumption 7. Then, using the same function mentioned previously, the total conscripted Medical Care economic cost per year was determined.



#### 8. **Opportunity Cost**

In determining social Opportunity Cost for the all-volunteer and conscripted forces, the following equations from Warner and Asch (1996), introduced in Chapter III and retaining the same equation numbers here, are used, respectively:

$$C_{O}^{V} = aF + 0.125bF^{2},\tag{7}$$

$$C_{O}^{C} = aF + 0.125b[(3c_{1} - 1)c_{1}(\frac{F}{1 + c_{1}})^{2} + NF(\frac{1 - c_{1}}{1 + c_{1}}).$$
(8)

For the AVF ( $C_0^V$ ), Assumption 9 makes *a* constant at 0.00001, while *F* is the sum of E1s and E2s per Assumption 3 and is given by the DMDC (2024). Meanwhile, *b* is 1.25, as discussed in Assumption 5 and provided by the GAO (1988). For the conscripted force ( $C_0^C$ ), *a*, *b*, and *F* are the same as the AVF ( $C_0^V$ ). c<sub>1</sub> is given by the GAO (2000) to be 55% per Assumption 6. *N* is derived from only males between 18–24, which is given by the National Census Bureau (2024) as around 11% of the total U.S. population per year. Then, from the DoD in 2020, only 23% of that population would be physically able to enlist. By using these variables for Equations 1 and 3 (from Chapter III), social Opportunity Cost is determined for the all-volunteer and conscripted forces, respectively.

#### 9. Tax Deadweight Loss

As discussed in Chapter III, Section B.1, Warner and Asch (1996) provide Equations 4 and 5, introduced in Chapter III and retaining the same equation numbers here, to address the all-volunteer and conscripted forces, respectively:

$$D^{V} = \beta \left(a + \frac{b}{2}M\right)F,\tag{9}$$

$$D^C = \beta W_D^M F. \tag{5}$$

 $\beta$  is determined to be constant at 0.3, or 30% of each dollar earned (Warner & Asch, 1996). Per Assumption 8, *a* is constant at 0.00001, while the GAO (1988) gives *b* to be 1.25. *M* is given by the Office of People Analytics: Department of Defense (2024) from 1976–2024. The period 1972–1975 was assumed to be 400,000 personnel based on



the last available data point (1976). F is the sum of E1s and E2s per Assumption 3 and is given by the DMDC (2024).  $W_D^M$  is the 50% cut to pay per Assumption 4 and is calculated as 0.5 multiplied by each year's data from DFAS (n.d.) for E1s and E2s per Assumption 3. By utilizing these terms together in Equations 4 and 5 (from Chapter III), the total tax deadweight loss social cost is determined for the all-volunteer and conscripted forces.

## 10. Draft Evasion Cost

For the AVF, the social Draft Evasion Cost is determined to be null, as a draft would not be in effect. The conscripted force, meanwhile, utilizes the following methodology from Warner and Negrusa (2006), introduced in Chapter III and retaining the same equation number here:

$$C_{F} = (C_{e} + \theta J)(N - N') + C_{G}$$

$$\tag{10}$$

Assumption 9 makes  $C_e$  \$10 for every year, with Assumption 10 stating  $\theta$  is constant at 80%. For *J*, the cost to an individual if caught evading, put in numerical terms, would be the cost of 2 years in prison. A study by the Ella Baker Center for Human Rights determines this cost to be \$39,292.42 (in 2024 dollars) per year, making the 2-year cost \$78,584.84 (DeVuono-Powell et al., 2015). This cost was drawn out using the U.S. Bureau of Labor Statistics (2024) *Consumer Price Index Calculator* to get all data points from 1972–2024. *N* is derived from only males between 18–24 years old, which is given by the National Census Bureau (2024) as around 11% of the total U.S. population per year. Then, from the DoD in 2020, only 23% of that population would be physically able to enlist. *N'* is given by Assumption 11 to be 99% of *N*. Finally, *C<sub>G</sub>* is given by Assumption 12 as \$2,000 multiplied by the difference between *N* and *N'*. Putting these terms together in Equation 6 calculates the total social Draft Evasion Cost per year.

## C. ANALYSIS

The purpose of this section is to analyze the data presented in Section B in two manners: first, the compared total cost of all factors without opportunity cost for the AVF



and conscripted force, respectively, and second, the extreme cost difference between the AVF and conscripted force.

## 1. Economic and Social Costs without Opportunity Cost

A general overview of the total cost data gathered in Section B is displayed in Table 1 and Table 2. Opportunity Cost is concealed, as it represents an overwhelmingly significant factor, which is discussed in more detail in the following section.

			1972		1982		1992
	RMC	\$	1,198,676,811.60	\$	2,090,915,974.80	\$	1,956,642,573.60
	Basic Training	\$	9,065,471.17	\$	20,928,659.51	\$	30,427,885.28
	Initial Skill Training	\$	178,899,896.93	\$	413,010,527.61	\$	600,470,228.22
Physical Costs	GI Bill	\$	391,310,400.00	\$	1,030,201,200.00	\$	611,559,900.00
	Recruiting Costs	\$	141,451,712.88	\$	326,557,184.05	\$	474,776,921.47
	Clothing Allowance	\$	115,288,000.00	\$	203,249,364.01	\$	195,051,139.02
	Medical Care	\$	491,331,180.96	\$	1,099,278,909.54	\$	1,061,735,937.50
Sectol Centr	Tax Deadweight Loss	\$	29,966,920.29	\$	52,272,899.37	\$	48,916,064.34
Social Costs	Draft Evasion	\$	-	\$	-	\$	-
	Total	\$	2,555,990,393.83	\$	5,236,414,718.89	\$	4,979,580,649.43
			, , ,		, , ,		, , ,
			2002		2012		2022
	RMC	\$	<b>2002</b> 2,310,229,404.00	\$	<b>2012</b> 2,092,267,364.40	\$	<b>2022</b> 2,425,295,455.20
	RMC Basic Training	\$ \$	<b>2002</b> 2,310,229,404.00 65,900,000.00	\$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00	\$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00
	RMC Basic Training Initial Skill Training	\$ \$ \$	<b>2002</b> 2,310,229,404.00 65,900,000.00 993,300,000.00	\$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00	\$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00
Physical Costs	RMC Basic Training Initial Skill Training GI Bill	\$ \$ \$ \$	<b>2002</b> 2,310,229,404.00 65,900,000.00 993,300,000.00 1,302,240,000.00	\$ \$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00 1,633,695,000.00	\$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00 2,769,174,000.00
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs	\$ \$ \$ \$ \$	<b>2002</b> 2,310,229,404.00 65,900,000.00 993,300,000.00 1,302,240,000.00 937,000,000.00	\$ \$ \$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00 1,633,695,000.00 1,018,800,000.00	\$ \$ \$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00 2,769,174,000.00 1,441,800,000.00
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance	\$ \$ \$ \$ \$ \$	<b>2002</b> 2,310,229,404.00 65,900,000.00 993,300,000.00 1,302,240,000.00 937,000,000.00 225,607,854.50	\$ \$ \$ \$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00 1,633,695,000.00 1,018,800,000.00 257,000,501.94	\$ \$ \$ \$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00 2,769,174,000.00 1,441,800,000.00 270,707,995.74
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance Medical Care	\$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2002</b> 2,310,229,404.00 65,900,000.00 993,300,000.00 1,302,240,000.00 937,000,000.00 225,607,854.50 998,650,306.75	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00 1,633,695,000.00 1,018,800,000.00 257,000,501.94 919,651,387.21	\$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00 2,769,174,000.00 1,441,800,000.00 270,707,995.74 731,487,938.12
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance Medical Care Tax Deadweight Loss	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2002 2,310,229,404.00 65,900,000.00 993,300,000.00 1,302,240,000.00 937,000,000.00 225,607,854.50 998,650,306.75 57,755,735.10	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00 1,633,695,000.00 1,018,800,000.00 257,000,501.94 919,651,387.21 52,306,684.11	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00 2,769,174,000.00 1,441,800,000.00 270,707,995.74 731,487,938.12 63,754,746.75
Physical Costs Social Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance Medical Care Tax Deadweight Loss Draft Evasion	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2002 2,310,229,404.00 65,900,000.00 993,300,000.00 1,302,240,000.00 937,000,000.00 225,607,854.50 998,650,306.75 57,755,735.10	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2012</b> 2,092,267,364.40 147,600,000.00 2,184,200,000.00 1,633,695,000.00 1,018,800,000.00 257,000,501.94 919,651,387.21 52,306,684.11	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	<b>2022</b> 2,425,295,455.20 220,100,000.00 2,698,700,000.00 2,769,174,000.00 1,441,800,000.00 270,707,995.74 731,487,938.12 63,754,746.75

 Table 1.
 Economic and Social Costs without Opportunity Cost: AVF

Note: All numbers are in nominal terms for the appropriate year.



			1972	2	1982		1992
	RMC	\$	629,305,326.09	\$	1,097,730,886.77	\$	1,027,237,351.14
	Basic Training	\$	9,518,744.73	\$	21,975,092.49	\$	31,949,279.54
	Initial Skill Training	\$	178,899,896.93	\$	413,010,527.61	\$	600,470,228.22
Physical Costs	GI Bill	\$	410,875,920.00	\$	1,081,711,260.00	\$	642,137,895.00
	Recruiting Costs	\$	70,725,856.44	\$	163,278,592.03	\$	237,388,460.74
	Clothing Allowance	\$	121,052,400.00	\$	213,411,832.21	\$	204,803,695.97
	Medical Care	\$	515,897,740.01	\$	1,154,242,855.02	\$	1,114,822,734.38
Sectol Center	Tax Deadweight Loss	\$	14,983,460.15	\$	26,136,449.69	\$	24,458,032.17
Social Costs	Draft Evasion	\$	452,772,136.66	\$	1,131,160,245.23	\$	1,835,750,983.27
	Total	\$	2,404,031,481.01	\$	5,302,657,741.03	\$	5,719,018,660.43
			2002		2012		2022
	RMC	\$ 1	<b>2002</b> 1,212,870,437.10	\$	<b>2012</b> 1,098,440,366.31	\$	<b>2022</b> 1,273,280,113.98
	RMC Basic Training	\$ 1 \$	<b>2002</b> 1,212,870,437.10 69,195,000.00	\$ \$	<b>2012</b> 1,098,440,366.31 154,980,000.00	\$ \$	<b>2022</b> 1,273,280,113.98 231,105,000.00
	RMC Basic Training Initial Skill Training	\$ 1 \$ \$	<b>2002</b> 1,212,870,437.10 69,195,000.00 993,300,000.00	\$ \$ \$	<b>2012</b> 1,098,440,366.31 154,980,000.00 2,184,200,000.00	\$ \$ \$	<b>2022</b> 1,273,280,113.98 231,105,000.00 2,698,700,000.00
Physical Costs	RMC Basic Training Initial Skill Training GI Bill	\$ 1 \$ \$ \$ 1	<b>2002</b> 1,212,870,437.10 69,195,000.00 993,300,000.00 1,367,352,000.00	\$ \$ \$	<b>2012</b> 1,098,440,366.31 154,980,000.00 2,184,200,000.00 1,715,379,750.00	\$ \$ \$	<b>2022</b> 1,273,280,113.98 231,105,000.00 2,698,700,000.00 2,907,632,700.00
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs	\$ 1 \$ \$ \$ 1 \$	<b>2002</b> 1,212,870,437.10 69,195,000.00 993,300,000.00 1,367,352,000.00 468,500,000.00	\$ \$ \$ \$	2012 1,098,440,366.31 154,980,000.00 2,184,200,000.00 1,715,379,750.00 509,400,000.00	\$ \$ \$ \$	2022 1,273,280,113.98 231,105,000.00 2,698,700,000.00 2,907,632,700.00 720,900,000.00
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance	\$ 1 \$ \$ \$ \$ \$	2002 1,212,870,437.10 69,195,000.00 993,300,000.00 1,367,352,000.00 468,500,000.00 236,888,247.23	\$ \$ \$ \$ \$ \$	2012 1,098,440,366.31 154,980,000.00 2,184,200,000.00 1,715,379,750.00 509,400,000.00 269,850,527.04	\$ \$ \$ \$ \$	2022 1,273,280,113.98 231,105,000.00 2,698,700,000.00 2,907,632,700.00 720,900,000.00 284,243,395.53
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance Medical Care	\$ 1 \$ \$ \$ \$ \$ \$ \$ \$	2002 1,212,870,437.10 69,195,000.00 993,300,000.00 1,367,352,000.00 468,500,000.00 236,888,247.23 1,048,582,822.09	\$ \$ \$ \$ \$ \$ \$	2012 1,098,440,366.31 154,980,000.00 2,184,200,000.00 1,715,379,750.00 509,400,000.00 269,850,527.04 965,633,956.57	\$ \$ \$ \$ \$ \$ \$	2022 1,273,280,113.98 231,105,000.00 2,698,700,000.00 2,907,632,700.00 720,900,000.00 284,243,395.53 768,062,335.02
Physical Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance Medical Care Tax Deadweight Loss	\$ 1 \$ 5 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1	2002 1,212,870,437.10 69,195,000.00 993,300,000.00 1,367,352,000.00 468,500,000.00 236,888,247.23 1,048,582,822.09 28,877,867.55	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2012 1,098,440,366.31 154,980,000.00 2,184,200,000.00 1,715,379,750.00 509,400,000.00 269,850,527.04 965,633,956.57 26,153,342.06	\$ \$ \$ \$ \$ \$ \$ \$	2022 1,273,280,113.98 231,105,000.00 2,698,700,000.00 2,907,632,700.00 720,900,000.00 284,243,395.53 768,062,335.02 31,877,373.38
Physical Costs Social Costs	RMC Basic Training Initial Skill Training GI Bill Recruiting Costs Clothing Allowance Medical Care Tax Deadweight Loss Draft Evasion	\$ 1 \$ 5 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1 \$ 1	2002 1,212,870,437.10 69,195,000.00 993,300,000.00 1,367,352,000.00 468,500,000.00 236,888,247.23 1,048,582,822.09 28,877,867.55 2,639,121,194.48	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2012 1,098,440,366.31 154,980,000.00 2,184,200,000.00 1,715,379,750.00 509,400,000.00 269,850,527.04 965,633,956.57 26,153,342.06 3,686,880,612.39	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2022 1,273,280,113.98 231,105,000.00 2,698,700,000.00 2,907,632,700.00 720,900,000.00 284,243,395.53 768,062,335.02 31,877,373.38 5,415,231,537.79

 Table 2.
 Economic and Social Costs without Opportunity Cost: Conscription

Note: All numbers are in nominal terms for the appropriate year.

Based on the gathered data and applied equations referenced in Section B of this chapter, there is a clear shift in the total costs being weighted in favor of conscription initially, then to the AVF in the present. This shift is more pronounced in Figure 1.





Figure 1. Aggregated Total Costs for All-Volunteer and Conscripted Forces

The data in Table 1 and Table 2 with reference to Figure 1 show that in 1972, the difference between the AVF and conscripted force was \$150 million and progressively merged until 1981. From 1981 onward, the difference between the two force structures averaged \$2.5 billion, with 2024 being the most drastic difference of \$3.6 billion. Figure 2 breaks out the terms further for each year.





All-Volunteer Force Cost Breakdown Conscripted Force Cost Breakdown

Figure 2. All-Volunteer and Conscripted Force Cost Breakdown by Category

As the two graphs and data set show, most terms are relatively inconsequential to the overall cost for each structure. These overall costs include variables such as Tax Deadweight Loss, Basic Training, and Clothing Allowance. Additionally, elements such as the GI Bill, Initial Skills Training, and Medical Care remain consistent between the AVF and conscripted force elements.

Recruiting costs between the two systems are drastically different. This is due in part to advertising not being considered a relevant cost to a conscripted force when compared to the AVF. The difference is measured to be \$367 million on average. Similarly, RMC is substantially different between the two structures. Based on Assumption 4, the disparity is expected and comes to measure an average difference of \$1.03 billion.



The most substantial difference in cost (not accounting for Opportunity Cost, as discussed in the following section), is Draft Evasion. For the AVF, this term is null, as it does not apply; however, the extent to which evading the draft poses a substantial social cost is astonishing. The cost is relatively low during the first few years of the draft's abolishment; however, this term makes up more than 36% of total cost in 2024. In observing Equation 6, this drastic increase in cost can be attributed to N-N'. This term represents the total number of civilians who would avoid the draft and is assumed to be around 1% (per Assumption 12). If this assumption were lower, the draft evasion cost would be lower; however, based on the literature review regarding draft evasion, this social cost seems unreasonable for a peacetime draft and may instead point to N-N' being too low of an assumption. Therefore, from a cost standpoint, draft evasion represents a significant detractor from conscription being re-established today.

## 2. **Opportunity Cost**

In calculating the differences between the total costs of the AVF and conscriptionbased models, the term Opportunity Cost was seen as a significant outlier. Table 3 generalizes this difference in the data calculations in 10-year intervals:

	1972	1982	1992
AVF	\$ 16,614,998,825.76	\$ 12,795,554,985.52	\$ 5,889,479,582.57
Conscripted	\$ 160,119,727,321.12	\$ 155,141,329,672.30	\$ 117,074,199,748.04
Percent Difference	<b>964</b> %	1212%	1988%
	2002	2012	2022
AVF	<b>2002</b> \$ 4,140,207,564.13	<b>2012</b> \$ 1,853,443,996.25	<b>2022</b> \$ 1,506,234,608.64
AVF Conscripted	<b>2002</b> \$ 4,140,207,564.13 \$ 110,002,185,854.56	<b>2012</b> <ul> <li>\$ 1,853,443,996.25</li> <li>\$ 80,393,747,150.50</li> </ul>	<b>2022</b> <ul> <li>\$ 1,506,234,608.64</li> <li>\$ 77,884,658,228.55</li> </ul>

 Table 3.
 Opportunity Cost: AVF and Conscription

Note: All numbers are in nominal terms for the appropriate year.

Table 3 shows a magnitude difference of 9 in 1972 up to 51 in 2022. These extreme differences in opportunity cost far eclipse the difference between the other terms listed in Section C.1. The average difference between the two forces in Section C.1's terms (RMC, medical care costs, etc.) was \$2.5 billion; with Opportunity Cost added, it



becomes \$119 billion. The Opportunity Cost difference for every year is shown in Figure 3.







Based on the literature review, this difference is intuitive. A volunteer force necessitates a population determining for themselves that military service represents the most optimal prospect, thereby making their opportunity cost close to zero. In looking at the terms in Equations 1 and 3, the only reason the volunteer force opportunity is above zero is due to personnel changing their mind during their service commitment but being unable to leave.

The extremely high opportunity cost for the conscripted force is also in line with the literature review. A conscripted force receives not only volunteers (whose opportunity cost is close to zero, as mentioned previously), but also those whose willingness to serve outweighs the cost to evade (making their opportunity cost exceedingly high, but not high enough to evade). Evasion costs are given in Section 1 of this chapter and represent the remaining population of conscripted personnel. Additionally, the number of personnel willing to volunteer decreases drastically due to Assumption 4, lowering RMC by 50%.

In observing the terms in Equation 3, opportunity cost for the conscripted force would be lowered if  $c_1$  were raised from 55% in Assumption 6. Although a significant



decrease in economic cost, lowering  $c_1$  is both insufficient to make up for the social cost difference of \$2.5 billion in favor of the AVF and highly unreasonable, as even during the height of the pandemic in 2020, re-enlistment rates were 67% (DoD, 2023). Therefore, from a social cost standpoint (which is important to a democratic government, as discussed in Chapter III), opportunity cost represents the most significant detractor from conscription being re-established today, which aligns with the findings of Warner and Asch (1996) as well as Warner and Negrusa (2006).



# V. CONCLUSION

This chapter includes the limitations of the study, recommendations to future researchers, and a final summary encapsulating the findings of this body of work. Each section draws upon the conclusions of previous chapters which is captured in the final summary.

#### A. LIMITATIONS

This section provides a discussion of the limitations of this research. The limitations are discussed in terms of assumptions and equations, economic and social costs, and the bias of a real, present threat. Although there are limitations in this study, these limitations also offer interesting avenues for future research.

#### 1. Assumptions and Equations

There are 12 assumptions listed in Chapter IV, Section A, which should be understood and strongly considered when interpreting the results of this study. For instance, the social cost terms such as b are only applicable under an AVF structure and may be irrelevant to a conscripted force. Assumption 8, given by the CBO (2007), states that advertising is irrelevant for recruiting under a conscription model; however, South Korea advertises enlistment while conscripting for low recruiting numbers ("S. Korea's Low Birth Rate," 2023). Assumptions 11 and 12 both rely on the willingness of the government to pursue evaders, which was only true for the United States before the Vietnam War (Lehrer, 2001). Assuming that the government does not have the will to pursue evaders, draft evasion costs (and opportunity costs) decrease substantially, but so does the effective purpose of instituting a draft. Nonetheless, each assumption is based on prior research (such as that of the CBO) and is used to limit the range of possibilities that may occur in the real world. If the United States wishes to pursue a conscription-based model for military service, each assumption must be challenged by what is true under the new system. Given this limitation, future research should explore the validity of these assumptions today as compared with the previous studies.



Additionally, the equations discussed pose a limit on the scope of factors relevant to the two force structures. Warner and Asch's (1996) model to calculate opportunity cost for the volunteer force seems too simple to address the opportunity cost of volunteers. Additionally, a hybrid system (like what was used in Vietnam), would not account for those who only wished to serve for one term and were satisfied, making their opportunity cost null. The equations also do not account for the nuances of individuals; however, they are effective in providing a baseline with an effective range based on unknown or unconsidered factors. Each equation gives a solid baseline; however, future researchers should adjust the equations appropriately to the times with the nuances of increased complexity.

# 2. Economic and Social Cost Factors

The seven economic and three social factors are limited in what could be relevant to both military service models. This study seeks to only address the terms given by previous researchers/organizations but acknowledges that other factors may be relevant to the two force structures. For instance, anti-war sentiment will certainly be a social cost factor if a draft is instituted, as evident by the mass protests for Vietnam or (contemporaneously) the wars in Ukraine and Gaza. Other economic factors that may be relevant include the upscaling of the SSA or the shift to technological force multipliers that could affect costs in other ways. Nonetheless, the 10 terms listed provide a substantial baseline for what are the most relevant factors between the two force structures. If conscription were re-enacted in the United States, future researchers should identify, study, and give appropriate measures to understand the costs relevant to the models.

# 3. Real, Present Threat

Finally, the entire premise of this study assumes the United States is not experiencing a real, present threat, as discussed in Chapter III. This assumption, although implicit to the study, vastly changes the calculus of social cost factors and even the relevancy of the economic ones, too. The renowned economist Milton Friedman (1967) was staunchly against any form of conscription from a moral and economic perspective



with the exception of a real, present threat. World War II may have been the greatest example of when conscription was justified from a cost perspective, which has been pointed out by numerous sources in Chapters II and III. Regardless, the point of this study was to consider the peacetime introduction of conscription to address contemporary recruiting challenges. To address the present in this study, the assumption of a real, present threat must be negated. Future researchers should investigate the changes to economic structure during a time of war to contrast the differences that arise from this limitation.

#### **B. RECOMMENDATIONS**

This study provides a comparison between the costs of all-volunteer and conscription-based recruiting models. The next steps for this research would be to conduct a benefit or effectiveness analysis comparing the current AVF to one made of conscripts. Questions to consider include how other democratic (or authoritarian) nations determine the effectiveness of their conscripts and what the optimal balance is between those who volunteer for longer enlistments compared to conscripts for shorter. Recommendations for a new study would be to examine the CBO's (2007) study that sought to examine the effectiveness of the force when made of conscripts. Specifically, the CBO study provides insight into the effectiveness of the AVF from a basic and initial skills training perspective. By considering the cost and effectiveness of re-instituting conscription, policy-makers can make more informed decisions to address the recruiting shortfalls of the AVF.

Another area of research relevant to this study would include a cost comparison analysis with other democratic countries such as South Korea or Israel. Additionally, examining authoritarian countries such as Russia would provide insight into what makes up their cost determinations to conscript their populace. An interesting future research design would consider a collaborative partnership with students in the IDF or representatives of the ROK to analyze the main differences in cost makeup and the decisions made to maintain conscription instead of relying on volunteers alone.



## C. SUMMARY

In conclusion, this study found a move to a conscription-based model of military service in the United States would cost \$3.6 billion more (for 2024) when not accounting for opportunity cost. Furthermore, it was confirmed that a move to conscription would have an average opportunity cost of \$119 billion more than the AVF. Future researchers should explore other countries' cost structures for conscription and should evaluate the effectiveness and benefits of conscription if it were re-enacted in the United States.



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