

at least let me acknowledge that my views have been formed in the course of many Saturdays of discussion with them.

To keep my original statement brief, I shall formulate merely the conclusions I have reached and let the Committee, in its questions, probe my reasons on the points that most interest it.

(1) Potentially there is bound to be some form of compulsory service. No matter how far we go in making voluntary enlistment attractive, the government cannot deny itself the means, in an emergency, of meeting its military manpower requirements. We are bound to have a system that combines voluntary enlistment with some form of potential compulsory service, even though there may be times, as there were in recent years, when nobody has to be drafted.

(2) That does not dispose of the question, how far should we go in providing incentives towards voluntary enlistment? The National Advisory Commission on Selective Service was concerned with the question, "Who serves when not all serve?" Establishing that some kind of draft would be necessary, the Commission went on to examine what kind of compulsory service system there should be. That is a crucial question; but for this Committee I think the other is equally important. How far can our country afford to go, and how far does it wish to go, in providing the incentives for voluntary enlistment and re-enlistment, in reducing the number who have to be drafted (and who probably serve for short periods), and in separating the financial burden from the obligation to serve?

(3) Too often the question of military compensation is raised in all-or-none form: what would it cost to achieve an all-volunteer force? Too often the questions of fairness and discrimination relate to who shall serve, with little attention to how we might reduce the burdens of service on those who serve. The draft is not merely a way of getting needed manpower; it is a way of getting manpower cheaply. Those of us who do not serve, because we are too old or because we are otherwise not selected, should be careful not to use the draft as a way of holding military wages down while civilian wages, inside government and out, are higher and continue to rise. The financial cost is there, whether we pay it through the budget or not; the more of that financial burden we taxpayers assume, the less we have to impose on those who do our fighting for us.

(4) The questions of how much to compensate in the interest of fairness, and how much to compensate in the interest of greater voluntary enlistments, come closely together of course. Raising pay for either purpose tends to meet the other purpose. Selective increases, like re-enlistment bonuses or pay increases for highly specialized personnel, can of course achieve selective results.

(5) As an economist, I might be expected to estimate for you what it would cost to meet a military-manpower goal of, say, 2.75 million through voluntary enlistments, with or without some additional number to be acquired through the draft. I cannot. All estimates are bound to be indirect, based on interpretations of dubious evidence in a changing world. The study presented by the defense department two years ago was based on data that lend themselves to a variety of interpretations. My interpretation of those same data leads me to a much lower estimate of the extra cost of achieving a large volunteer component in the armed forces; but I can have no great confidence that my interpretation is correct or that the original evidence is adequate to permit an estimate or that, if it was at the time, it will remain pertinent in the aftermath of Vietnamese hostilities.

(6) I am emphasizing military pay as much in the interest of sound business management as in order to reduce our future reliance on the draft. Drafting a man and training him in a specialty may be poor economy if the same specialty could be induced by higher pay to enlist. Inducing the re-enlistment of people who have been expensively trained, through the use of more discriminating pay scales, may be good economy. And draftees should never be permitted to become cheap substitutes for civilian employees where civilians could do nearly the same jobs. The long run advantages of using more economic incentives in a military career service ought to weigh heavily in the balance against habit, tradition, and the costs of transition. The aftermath of the war in Vietnam may provide an exceptional opportunity to incur the transitional costs of moving more in the direction of a career service based on economic incentives.

(7) Turning now to the form of compulsory service. I am strongly attracted to a lottery that is nearly universal within a fairly narrow age group. I can see almost no reason for exempting or deferring anybody at age 19 or 20 on grounds