



COMMENTARY

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Our reserves are an integral part of the U.S. military, and an essential resource in the global war on terrorism. The military operations of the last several years would not have been possible without the contributions of reservists, and they will continue to play vital roles in future military missions. Yet despite their increasing integration and utilization, reservists are still citizen-soldiers, and the costs and other burdens associated with reserve mobilization are often different than those of active duty service members.

Unlike their active duty counterparts, mobilized reservists typically leave behind civilian jobs and salaries. These separations from the civilian sector can create costs for the reservist, the reservist's family, and his or her employer. In order to sustain a robust reserve force over the long term, policy makers must work to minimize and offset these burdens so that high caliber citizen-soldiers will continue to join and remain in the reserves.

Developing effective solutions to the burdens of utilization, however, requires a clear understanding of the actual scope and nature of the problem. That is why the research presented in this section by David Loughran and Jacob Klerman, Colin Doyle and Neil Singer, and Laura Castaneda and Margaret Harrell is so critical. Their work has gone beyond the anecdotal stories often presented in the popular press and instead uses detailed and comprehensive financial data and survey instruments to measure the actual impact on reserve members, their families, and employers. Such solid data provide the military with valuable information, insight, and guidance as it develops strategies to ease the burdens of reserve mobilization. Their research also reveals areas where additional analysis and data collection are needed to inform future policy and force management decisions.

Two research findings presented in these chapters are particularly noteworthy. The first is that the economic impact of mobilization is not necessarily negative. The second is the degree to which the effects of mobilization can vary depending on the circumstances of the individual reservist, family, or employer.

Contrary to many anecdotal reports in the popular press about the negative economic impact of mobilization on reservists, Loughran and Klerman's research shows that earnings for many reservists actually rise when they are mobilized. In fact, average earnings for reservists mobilized for more than 30 days in 2002 or 2003 were more than 30 percent *higher* than their earnings when activated for 30 days or less. Many press stories also report a negative financial impact on employers. Yet Doyle and Singer's work shows that the economic impact of mobilization on employers remains largely unknown. These results—and the fact that they differ from the popular perception—underscore the importance of collecting solid and comprehensive data.

While Loughran and Klerman's analysis shows a generally positive earnings outcome for activated reservists, it also makes clear that the economic impact of activation can vary, depending on the circumstances and characteristics of the individual reservist. As shown in the research by Doyle and Singer and Castaneda and Harrell, the impact of mobilization also varies among employers and families, and is often driven by the dynamics and circumstances of the individual reservist, family, or employer.

As Doyle and Singer explain, for some small employers, the biggest challenge posed by the reserve system is the loss of productivity and expertise they may experience when an employee deploys. But while such a loss can threaten the financial viability of a small business, it is less likely to be a problem for a larger employer whose deeper workforce can better cover for an absent worker. Federally mandated payments to activated reservists, in contrast, are more likely to increase costs for larger employers than for small employers.

Castaneda and Harrell describe how the issues facing families of activated reservists can also vary depending on factors such as the presence and age of any dependent children and spousal employment status. Clearly, a reserve member who is a single parent with young children will have different concerns and needs than a married reservist with no dependent children.

Acknowledging and understanding these variations are critical in developing policies and programs to support reserve members and their families. Policy makers cannot rely on one-size-fits-all solutions. Instead, they must craft solutions that are flexible enough to meet individual needs, yet not too costly or complicated to administer.

More broadly, the research and analysis presented in these three chapters can help inform ongoing and future efforts to sustain a robust reserve force. In particular, these findings offer important guidance in terms of policy priorities, additional research needs, and promotion of military service.

Policy Implications

When the military spends additional funds on reserve mobilization issues, those dollars should be invested where they are needed most, and where they will generate the greatest benefit. Unfortunately, without good data, we cannot know whether we are investing money as wisely as possible, nor whether the additional dollars target the most urgent problems. Policies designed to address these issues will be sounder, more efficient, and more effective if they are based on solid data that clearly establish the most critical areas of concern, measure the scope of the problem, and identify those most in need of assistance. Resources are limited; we must spend wisely.

That is why the research presented in these chapters—as well as other ongoing research efforts in this area—is so important. It provides policy makers with critical information that can be factored into future policy decisions. For example, despite reports in the media about lost earnings among mobilized reservists, Loughran and Klerman's research suggests that reservist earnings losses may not be as widespread and substantial as reported. Thus, increasing reservist compensation may not be as critical a priority as addressing other issues associated with reserve deployment.

For many reservists facing a sustained and significantly higher operational tempo, the greatest issue may not be more money, but more time. And in fact, reservist surveys indicate that they would like more predictable and stable deployment schedules, as well as less frequent deployments. To address these concerns, the Army has recently taken several steps to improve the deployment process.

Castaneda and Harrell have conducted a comprehensive review of many of the issues that families may confront when a reservist deploys. Their work reminds us that family support during a war is hard. It is hard for everybody. Many of the issues confronting families of reservists challenge active duty families, as well. The steps that the Army has taken to better manage the deployment process may alleviate some family issues, but not all. As more information in this area becomes available, the support structure may need to be more finely honed. Full-time support services have increased significantly in recent years; depending on future research findings, perhaps some of that expansion should be focused on the sorts of critical family issues that Castaneda and Harrell are studying.

Research Needs

The research described in this volume will provide policy makers with invaluable guidance. But as the researchers themselves have pointed out, there is also a critical need for more data on virtually all of these topics. Thus, a necessary next step is to continue the data collection and surveys identified here.

Doyle and Singer's work on employers of reservists illustrates this point. The additional survey information outlined by Doyle and Singer about how mobilization affects different types of businesses will enable policy makers to craft more effective and relevant solutions to mobilization-related problems facing employers. Much research also remains to be done in the area of family support, particularly regarding the demographics of reservists' families, and how family support issues vary with the individual circumstances of each family.

Promoting Military Service

For many individuals, service in the reserves is an attractive option and a rewarding opportunity. Even with today's higher operational tempo, retention remains stable and recruiting, though challenging, has made significant gains over the past year. This continued success in retention may be partly due to the steps the military has taken to alleviate the burdens associated with increased utilization, including significant increases in reservist compensation and better management of reservists' deployment schedules. This is not to suggest that the system is perfect, nor to discount the problems that some reservists face. Clearly, reserve mobilization can create hardship—for reservists themselves, as well as for their families and employers. Indeed, for some, the increased operational tempo of recent years has proven too demanding, and those individuals have chosen not to reenlist.

Yet based on today's stable retention rates and the findings presented in these chapters, it appears that some of the military's efforts to reduce the burdens of mobilization have been successful, at least in terms of protecting many reservists against earnings losses. Individuals in the reserves today are well aware of the more demanding operational tempo they will face, as well as the compensation and other assistance available to them and to their families. And knowing these things, they are choosing to remain in the reserves, and to continue to serve their country. Many reservists appear to be working out the economic and family issues that can be associated with deployment.

The story told in the research presented here, however, is not the story that appears in the popular press. It is critical that the Department of Defense do a better job of getting out the positive aspects of the reserve story, in terms of retention, earnings, and the desire of reservists to serve their country. Solid data that reinforce this message will be an important component of the story, providing the media and the public with more balanced and factually-based information about reserve service and the burdens of mobilization. The data presented in this volume and future research in this area will strengthen the case and lend important credibility to our narrative.