



The Effect of 21st Century Military Service on Civilian Labor and Educational Outcomes

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ABSTRACT

“I estimate the effect of military service during the Afghanistan and Iraq wars on civilian labor and educational outcomes using several empirical methodologies including sibling fixed effects and propensity score matching. Since military occupations and training have changed significantly in the past few decades, these effects may be different than those found in previous studies on veterans of earlier theaters. I find that veteran status increases civilian wages by approximately ten percent for minorities but has little or no effect on whites in this regard. Veterans of all demographic groups are found to be equally employable and equally as satisfied with their civilian occupation as non-veterans. For females and minorities, veteran status substantially increases the likelihood one attempts college. These veterans are found to be more apt to pursue and obtain a two year (associate’s) degree instead of a four year (bachelor’s) degree. Lastly, I find mixed evidence that veteran status increases the likelihood of public sector employment.”

RESEARCH HIGHLIGHTS

- The US military is the largest vocational training institution in the US and the largest employer of young adults. With this in mind, the purpose of this study is to understand the effect military service post-9/11 has on veterans. This study is important because each war era has different effects on veterans’ civilian employment and educational outcomes.
- Routon found that veteran status positively effects minorities and women. Women and minorities who are veterans have an increased likelihood of pursuing a college degree, and earning an associate’s degree. Additionally, minorities who served in the military experience increased civilian wages.
- Findings on whether veteran status encourages public sector employment were mixed. Previous researchers found that veteran status resulted in more public sector employment. Using the Current Population Survey July 2010 Veterans Supplement, Routon finds that this is the case, but his primary analysis of the National Longitudinal Survey of Youth 1997 shows that military service has no effect on the probability of public sector employment.

IMPLICATIONS

FOR PRACTICE

Routon found that 21st century veterans are as employable and satisfied with their civilian occupation as their non-veteran counterparts, regardless of demographic group. This finding shows that military service has several positive outcomes for veterans. Veterans seeking employment and career opportunities should continue utilizing VetSuccess. 21st century military training offers service members more opportunities to be trained in specialized fields, such as computer science and information technology. Additionally, veterans have often applied these learned skills while in the force. Veterans seeking employment opportunities should note the applied experience they have in their respective fields. Employers interested in hiring veterans should be mindful of the specialized skills veterans have and the experience they have acquired while in the force.

FOR POLICY

Findings show that current government programs, such as VetSuccess, which aims to help veterans gain employment and adjust to the civilian workforce, have successfully helped veterans gain employment and work as much as their non-veteran counterparts. Findings show that the DoD has made improvements to military training that make skills obtained in the force more translatable to civilian jobs. These changes have resulted in veterans being more sought after by civilian employers. The VA might offer additional training opportunities to veterans seeking civilian employment. To further gauge the services veterans seeking employment might need, the VA and policymakers might evaluate current services. The VA and policymakers might focus on employment experiences and reasons veterans seek education post-service.

FOR FUTURE RESEARCH

This study was limited by the small sample size of veterans. Future researchers should improve the external validity by using larger samples. At the time Routon conducted this analysis, data was only available up to year 2010. It would be beneficial to continue this study with more recent years. Similarly, due to the data only being available up until 2010, the age of the veterans in the analysis was between 25 and 31. Due to the young age of the veterans, the findings are all short-term. Future studies should include datasets with 21st century veterans that are older to better account for long-term effects of military service in the 21st century. Early findings show that female veterans benefit educationally from their military service. However, this study was limited by the small number of female participants. Future studies should increase the ratio of female veterans to further capture how military service and availability of the GI bill affects educational attainment. The short-term nature of this analysis prevented Routon from determining if military service had a long-term impact on wages for Caucasians. Future researchers should analyze longitudinal data to determine if military service has such an impact. Analysis of the surveys showed that minority veterans experienced better wages than their civilian counterparts. Due to limitations from the dataset, Routon was unable to determine if the wage premiums are an effect of military service or an effect of veterans obtaining college degrees through the use of the GI bill. Future researchers continuing this study should explore what factors reduce low wages for minority veterans. Researchers should also analyze whether wage growth is different across veteran status. Routon hypothesizes that some veterans do not pursue additional education because of the specialized training and experience they obtain while in the military. It would be beneficial to further test this preliminary finding, focusing on long term effects of 21st century veterans not pursuing additional education. Future researchers should study if military training is a better substitute for college experience in the 21st century than it was in past centuries.

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