



Unemployment, earnings, and enrollment among post 9/11 veterans

PUBLICATION: *Social Science Research* (2013); 42, 836-851.

PUBLICATION TYPE: Peer-Reviewed Journal Article

KEYWORDS: Veterans, unemployment, earnings, enrollment, stratification

RESEARCH HIGHLIGHTS:

- Afghanistan/Iraq era veterans have a higher likelihood of unemployment than non-veterans, with female veterans faring worse than men. However, once employed, veterans out-earn non-veterans.
- When analyzing disadvantaged populations, this study found that female veterans suffer higher rates of post-service unemployment than their male counterparts. While the veteran/non-veteran gap is lower among blacks than whites, black veterans still suffer from higher overall unemployment than white veterans.
- Military service is often viewed as a means of upward mobility. Findings from this study support a relationship between upward mobility and military service for those with only a high school diploma.

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ABSTRACT:

“This paper examines three outcomes characterizing different aspects of post 9/11 veterans’ economic reintegration to civilian life: unemployment, earnings and college enrollment, using Current Population Survey data from 2005 to 2011. Analyses include interactions of veteran status with sex, race/ethnicity and educational attainment to evaluate whether diverse veterans experience diverse consequences of service. In brief, I find that the basic unemployment differences between veterans and non-veterans often reported in the media understate the effect of military service on unemployment for men, since veterans have other characteristics that are associated with higher employment rates. Female veterans appear to suffer a steeper employment penalty than male veterans, but black veterans appear to suffer less of a penalty than white veterans. But on two other measures, earnings and college enrollment, veterans appear to be doing better than their civilian peers. Veterans with a high school education or less out-earn their civilian peers, but veterans with at least some college education appear to lose some or all of the veteran earnings advantage compared to veterans with a high school degree, suggesting the greatest wage returns to military service accrue among the least educated. Veterans with at least a high school education are more likely to be enrolled in college than their civilian peers. Treating veterans as a monolithic block obscures differences in the consequences of military service across diverse groups.”

Implications

FOR PRACTICE

The study highlights the importance of considering the diversity of military service members when analyzing the effect of service on unemployment, earnings, and college enrollment. Female veterans of the post-9/11 era suffer from higher absolute levels of unemployment than male veterans. They also experience a higher unemployment penalty from their service relative to their civilian counterparts than do male veterans. Although black veterans experience a lower unemployment penalty relative to their civilian counterparts than do whites, black veterans still experience higher absolute levels of unemployment than white veterans. Data in this study suggest that veterans fare better than their civilian peers when analyzing earnings and college enrollment. Veterans with a high school education or less out-earn their civilian peers, while veterans with at least some college education lost their earnings advantage when compared with veterans who have earned a high school diploma. Lastly, veterans with at least a high school diploma are more likely to be enrolled in college than their civilian peers. This research suggests the greatest wage returns from military service are found among veterans who are the least educated. This is the first generation of volunteer-only service members, 15% of whom are women. Veterans of the current volunteer force are more likely to be married and have children than their peers of previous generations. Their transition back to civilian life has consequences not only for themselves but also their spouses, children, and communities. Additionally, their experiences are likely to influence the enlistment decisions of future generations of military volunteers. Organizations and community advocates should be aware of these variations in employment challenges, addressing the needs of each group to effectively improve earnings and employment outcomes for veterans. Community organizations should be particularly concerned with labor market participation for female veterans and work to increase the accessibility of employment support programs and college enrollment for this group.

FOR POLICY

Historically, the military has been viewed as a pathway to upward mobility for disadvantaged groups, especially African Americans, primarily through increasing social and human capital. However, this study found that compared with white male veterans, black males and females do not always gain higher returns to their military service in terms of earnings, employment and college enrollment. Policy makers may wish to increase the availability of vocational training and educational benefits targeting disadvantaged populations. When considering the impact of the GI Bill on college enrollment, policy makers might consider restricting the institutions that can access GI Bill funds to reduce the instance of predatory online programs targeting veterans. Additionally, policy makers may wish to determine ways to increase utilization of GI Bill benefits among disadvantaged populations to increase their long-term employment and earnings .

FOR FUTURE RESEARCH

There is a void in research on issues affecting employability among recent veterans, especially considering the difference in motivation for service between older and more current generations. Another key factor to consider for future research is the surge of female veterans. Women have experienced frequent and widespread deployment and suffer different issues than men when returning to civilian life. Women serving in the military have faced occupational gender discrimination. Few occupations are closed to women but those occupations account for a large portion of the military workforce in the Army and Marine Corps. Research is needed to understand the impact of this military employment discrimination against women. Further research is needed to investigate the effectiveness of the Post-9/11 GI Bill in helping veterans gain employment and labor force marketability similar to their non-service peers. Researchers should further explore how GI Bill benefits ultimately impact education, employment, and earnings of post-9/11 veterans. Considering recent reports of for-profit and online programs among top institutions receiving GI Bill money, the long-term value of Post-9/11 GI Bill may not match that of the original GI Bill following World War II. Finally, future research into whether the military serves as a bridge for disadvantaged groups is needed, particularly studies that interrogate for whom, when, and how would be beneficial.

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