

The War in Iraq and the G.I. Bill: Lessons from History

*By Robert Duffett, President
Dakota Wesleyan University
April 2008*

After five years of war in Iraq many in Congress are considering ways to increase educational benefits to veterans through the Montgomery GI Bill of Rights. Those supportive of veterans issues should offer kudos to Representative Herseth-Sandlin and Senators Johnson and Thune. All favor increasing educational benefits to our men and women in uniform.

Herseth-Sandlin, Johnson and Thune follow a long line of South Dakota legislators who sought enhanced funding for the various incarnations of the GI Bill. In fact, South Dakota Senator J. Chandler (Chan) Gurney was one of nine Senate co-sponsors of the original GI Bill.

The Montgomery GI Bill is a grandchild of the GI Bill of Rights formally known as the Servicemen's Readjustment Act of 1944. President Franklin D. Roosevelt signed this bill into law on June 22, 1946 after it *unanimously* passed both houses of Congress.

The original version of the GI Bill paid for tuition, lab fees, books, supplies, and other educational expenses up to \$500 per year, plus a monthly subsistence allowance up to \$75. To put this in perspective, a full year of tuition at Harvard in 1944 was \$400 (now, \$35,000 a year). A vet could attain a Harvard degree totally paid for by the GI Bill and have change in their pocket at the end of four years!

The beneficence of the federal government was not due to a swelling national treasury. The end of WW II was a year away, the D-Day Invasion began only two weeks before Roosevelt signed the GI Bill and some of the most bloody and deadly battles in Europe and the Pacific were yet ahead. The generosity of the bill is not attributable to "do-goodism," social engineering, "bleeding heart liberalism," "red-hot patriotism" or war guilt. Rather, the chief motivation was economic realism.

More than 400,000 Americans lost their lives in WW II. Most were only in their 20's. The tragic consequence of war is not only the loss of life, grief of loved ones over what could have been but also the loss of talents and gifts these men and women would have contributed to our society. The GI Bill was a targeted attempt to increase, for our country, intellectual capital lost in the war.

Also, many feared that the American economy would collapse after the war. In a 1947 Fortune magazine poll of the top 15,000 American business executives, 60 percent expected a long-term major economic depression with large-scale unemployment after the war ended.

So what are the lessons of history from the GI Bill that may be helpful to legislators and American citizens today?

First, the GI Bill changed forever who within American society aspired to a college education. Before the GI Bill, college was for teachers, nurses and the social elite. After the GI Bill, attending college became a middle class goal, not a dream. In the post-GI Bill era, college was for all Americans with the intellectual gifts, motivation and desire—not just those from the "right side of the tracks."

Second, the GI Bill was a subtle, but frontal, assault on racial, religious and gender exclusionary college admissions policies. Amazing for its time, the GI Bill contained no gender, racial or religious exclusionary language. If a soldier or sailor qualified, Uncle Sam paid. It would be a historical stretch to suggest the GI Bill eliminated Jewish admissions quotas at Ivy League schools, opened southern

universities to African Americans or was a harbinger of 1960's feminism. However, the unintended social impact of the legislation went far beyond many long-held social norms about Jews, women and African Americans.

Third, the GI Bill produced the most highly educated work force in world history at the precise time the American economy transitioned from an industrial economy to a technological one. This unintended consequence meant that the American work force, unlike other western countries, had the necessary intellectual capital to create, deliver and become the world leader in technology and basic research.

Last, and perhaps the most important lesson from history for those concerned about the current federal budget deficit and good use of taxpayer money is this: taxpayer money spent on the GI Bill (government pork to some) of the 1940s and early 1950s was paid for by its benefactors in less than 25 years! The Veterans Administration estimated that the total cost of the GI Bill for WW II and Korean War veterans was \$19 billion. The Department of Labor and Commerce estimated that by 1964 these same veterans paid an additional \$20 billion in federal taxes due to better paying jobs attributable to their college education from the GI Bill. Hence, the GI Bill actually "*made money*" for the federal government!

So what historical lesson may we draw from the GI Bill experience of veterans from WW II and Korea? The historical record suggests a simple correlation: more generous GI Bill benefits increases the intellectual capital of our country which in turn will produce swelling tax revenues. If the past is a precursor to the future, then whatever investment is made in the present Montgomery GI Bill will more than be paid back to the Federal treasury.

South Dakota's own Tom Brokaw coined the term "The Greatest Generation" for the WWII generation. Could it be that the GI Bill made the greatest generation great? And, could it be that the next great generation, perhaps already in our midst, needs the same federal financial generosity for their college education as was given to "The Greatest Generation?"