

A Research Note:

MILITARY-FAMILY HOUSING: THE OTHER PUBLIC-HOUSING PROGRAM

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Abstract

The uniformed services currently own and operate some 400,000 family housing units, making the Department of Defense the nation's largest landlord. This generally unrecognized form of public housing has three unique features. First is the use of capital grants, in the form of direct Congressional appropriations embedded in the Defense Department budget, rather than credit for construction funds. Second is that the military family-housing system is an entitlement program; everyone who meets the rank and length of service criteria has a right either to free housing, as available, or a housing allowance. Third is the successful abolition of racial segregation in military-family housing. The military's family-housing program offers some important features that might profitably be incorporated into a program to provide all Americans with decent, affordable housing.

Introduction

The term "public housing" generally is understood to mean low-rent housing provided under the 1937 Housing Act and its subsequent amendments. Yet, there is another major form of public housing in the United States, a no-rent program not limited to low-income families. This is the family-housing program of the uniformed military services under the Department of Defense (DOD). It currently owns and operates some 400,000 units on- and off-base, housing about 1.4 million people. It thus is about one third the size of the traditionally defined public-housing program, somewhat larger in terms of population housed.

This study offers the first comprehensive description of the military-family housing program from a housing-policy perspective. It is a program generally unknown and unacknowledged by housing-policy analysts. There is little public awareness of it, outside of Congress, the military itself, and the communities surrounding military installations. Few connections exist between the military-housing bureaucracy and the national, state, and local agencies that provide housing via the Department of Housing and Urban Development (HUD) and Farmers Home Administration programs. The exceptions are: 1) HUD's largely perfunctory "sign-off" role in confirming that military-housing construction does not conflict or overlap with planned HUD sponsored units; 2) minor use of low-rent public housing by military personnel, including a 1988 DOD initiative that encourages arrangements with local public-housing authorities to renovate dilapidated, abandoned public-housing units for use by military families (Willis, 1988); and 3) the availability of several Federal Housing Administration (FHA) programs to military as well as civilian users.

The literature that exists on the military family-housing program is scant and contained mostly in government reports, principally by General Accounting Office (GAO) and DOD, units that deal with very narrow and specific elements of the program; in journalistic accounts; and in materials prepared by unofficial associations advocating the interests of military personnel. In order to obtain a comprehensive picture of the program, we have relied on interviews with government officials from a wide variety of agencies and programs. While we have been able to produce an accurate overall pic-

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ture of the system, in some instances it has been impossible to obtain firm numbers so the best approximations have been used.

Discussion

History

The military's obligation to house its personnel can be traced to the nation's very beginnings. Objections to the practice of quartering British troops in private houses without the owner's consent found their way into the catalog of grievances in the Declaration of Independence and subsequently into the Bill of Rights. The Third Amendment to the U.S. Constitution prohibits the quartering of military personnel during peacetime. It is allowed in wartime only as prescribed by law (Association of the United States Army, 1985).

While the housing of troops is an essential part of the military mission, providing housing for the families of military personnel has been a relatively modern development. "Historically, the military man either left his family at home, in which case he didn't see them for many years, or if he took them along, it was his responsibility to provide for their housing" (Military Family Housing Program, 1977, p. 1). It became obvious after the Civil War that military garrisons were a semi-permanent feature of American life. With this acknowledgment, the issue of housing families came to the fore. At first only officers were covered; this responsibility was subsequently extended to enlisted personnel. Not until fairly recently have the lowest pay grades of enlisted personnel been taken partially into the system (Comptroller General of the U.S., 1979). In part, this limited provision is attributed to a desire to keep budgetary commitments down. Unofficially, other rationales include: 1) a quasi-hazing mentality; 2) attempts to discourage junior enlisted personnel from marrying; and 3) creation of an inducement for short-termers to reenlist.

Over time a large, permanent voluntary military has come into being. A high proportion of this force is married and has children. Retention of these highly-trained service personnel becomes an increasingly vital consideration for which provision of good family housing takes on increasing importance. As one Army official put it, on a televised *Nightline* feature that dealt with military families, "You enlist a soldier..., you reenlist the family" (ABC News, 1984). Resistance from the old-fashioned military types still exists. In their view, the military should be all male and live in barracks (Johnson, 1989).

Entitlement

As part of the basic benefits package, the housing needs of service personnel are addressed through direct provision of quarters or through an allowance to cover or supplement costs of housing in the private sector. This entitlement is extended to any service member with dependents and pay rank of E4 or above.

The services limit the amount of housing they build. The preferred policy is to rely on the private-housing supply in the community surrounding an installation. Only if housing is unavailable or inadequate is a process initiated to build or lease family-housing directly for the military. Within this policy framework, a "programmable deficit" restricts new construction to 90 percent of documented need. Ostensibly this is to give communities the opportunity to take care of this demand through the private sector. It also keeps budgets down and provides against a surplus of government housing should a reduction in base size occur. Local opposition to military-housing construction may be a factor as well, especially in more affluent coastal areas. Locals are often concerned about the shrinking tax base that accompanies government facilities, barracks-style housing, and the social impact of young men in uniform roaming their streets (Neuffer, 1987; Wilson, 1984).

Even with these restrictions, the military has an inventory of some 400,000 family units. The actual number of family units built by the military is far higher; many units, temporary or permanent, have been disposed of or demolished. The DOD, the nation's largest employer, is also by far its largest landlord. Of the military inventory, 43 percent

of all units are for the Army, 35 percent for the Air Force, 17 percent for the Navy, and 4 percent for the Marines. The remainder are used by personnel of the National Security Agency, Defense Intelligence Agency, Defense Mapping Agency, and Defense Logistics Agency. These are all elements of the DOD. Some 28 percent of military-housing units are outside the United States, primarily in Germany, Japan, Italy, and the United Kingdom. There are, however, a significant number of units in Turkey, Spain, the Netherlands, Panama, and Australia.

Overall, 33 percent of military personnel with dependents live in DOD family housing (Camp, 1986). The proportion per service varies, ranging from 21 percent of the Marines to 40 percent of Army personnel (Camp, 1986). Rank is also an important variable: data from the 1985 Member Survey indicate that 54 percent of enlisted personnel and 73 percent of all officers were living in private housing (Defense Manpower Data Center, 1986a).

The limited availability of military housing has created huge waiting lists at most bases, especially for installations located in attractive, populous, and high-priced coastal areas. At the El Toro Marine Corps Air Station in Orange County, California the average wait is 15 months. Housing dissatisfactions, shortages, and high costs have adversely affected many who had planned to make the military a career (Stumpf and Kieckhaefer, 1975). These same factors are considered significant in temporary family breakups and in rising rates of divorce, child and spouse abuse, and alcoholism among military families (Corwin, 1984; Booz-Allen & Hamilton, 1984; Lindsey, 1984; U.S. Senate, 1986).

The family-housing portion of the military-housing budget is minuscule. It is usually about one percent of the total DOD budget. In addition, quality of life issues are far from the top of the priority list. Service personnel are not legally permitted to organize, labor-union style. This plays a role in minimizing pressure for better housing. The transience of military families also means that their representation in Congress is diluted. Many do not vote in the district where they are stationed, and many who do may not be around at the next election.

Funding Military-family housing has been built under a variety of programs. From the earliest days through World War II, most family-housing programs were improvised from redirected barracks and quarters appropriations (Military Family Housing Program, 1977). During the Roosevelt years appropriations from the Works Project Administration and Public Works Administration were used (Military Family Housing Program, 1977). Various emergency "defense housing" programs, such as the Lanham Act during World War II, helped provide housing for military, shipyard, and other defense-plant workers. Towards the close of World War II, barracks were sometimes converted into family apartments, giving rise to "Quonset hut" projects.

The first serious attempt to fashion large-scale, military-family housing began in 1949 with passage of the Wherry Housing Program. Under this program, sponsored by Senator Kenneth Wherry of Nebraska, housing was constructed by private developers on government-owned land or on land adjacent to military installations, with private, FHA-insured financing for up to 90 percent of construction cost. Developers owned and operated the units that were rented to military families. Between 1950 and 1955, approximately 84,000 units were built. Serious problems arose as a result of construction-cost ceilings and poor maintenance by the developer-owners. Most of these units were subsequently purchased by the federal government under the Capehart program that was passed in 1955 and sponsored by Senator Homer Capehart of Indiana (U.S. General Accounting Office, 1977).

The Capehart Program, responding to the demonstrated failure of the private sector to operate decent housing, differed from Wherry in two important aspects. It used FHA-insured private financing for 100 percent of construction costs, and it required upon completion that title be ceded to the individual services which then took over the mortgage and management responsibilities. Generally, Capehart housing was built to higher standards than Wherry housing, although construction-cost ceilings presented problems again. A total of 115,000 units were built between 1956 and 1962 under the

program. Under both the Wherry and Capehart Programs, construction was limited to the U.S. and its territories and possessions, where FHA had jurisdiction. High mortgage costs, compared with the alternative of building housing with directly-appropriated funds, led to Congressional cancellation of this program (Robinson Newcomb Associates, 1961).

Both programs were intended to provide housing quickly and to insulate family-housing construction from the annual appropriations battles in Congress. Under Wherry, virtually no government appropriations were required, excluding the housing allowances paid to military personnel to permit them to rent the units from private owners. Under Capehart, maintenance and annual mortgage payments were the government's only major expenses. But the long-term costs of these short-term budgetary "savings" exceeded what Congress would countenance at that time.

Throughout this period, military-family housing, primarily for senior officers, was also built with specifically-appropriated funds in overseas locations and in high-cost areas of the U.S. where cost ceilings precluded other programs. Nearly 18,000 units were built using direct-capital financing during the 1950's. Since 1962 when the Capehart Program was terminated, military-family housing has been built largely with appropriated funds. These are, in effect, capital grants furnished through the DOD's Congressionally-approved military construction budget. From fiscal year (FY) 1960 through FY 1977, 93,000 units were financed and built (Military Family Housing Program, 1977). Over the past decade, tens of thousands more have been built. The precise number of directly financed units is not available, but is in the 150,000 unit range.

Other military programs have used revenue generated by the sale of surplus U.S. agricultural commodities in foreign countries to build housing. Various types of construction or rental-guarantee agreements have been tried. Under these two forms, builders construct housing to DOD standards and receive a guarantee of annual rental payments from the military. During the mid-1950's, some 20,000 units were produced under this arrangement (Military Family Housing Program, 1977). Build-lease procedures are now widely used in foreign countries where ownership of property by the U.S. military is limited by law or custom. Provision of housing for U.S. service personnel can on occasion be a sensitive issue in foreign countries, where feelings about the presence of the U.S. military establishment are not always friendly (Burgess, 1984; Haberman, 1984). Leases are usually for 10 years and at a rent high enough to permit the builder to recoup all or a substantial portion of construction costs over the lease term. Like the Capehart Program, there are superficial budgetary advantages. Spreading costs out over the entire leasing period rather than incurring them at a single time is one advantage. Like Capehart, this has also proven to be an expensive way to provide housing (U.S. General Accounting Office, 1985).

An experimental lease-guarantee program for U.S. installations was established by Section 802 of the Military Construction Authorization Act of 1984. Private builders can develop family housing to DOD specifications, on their own land or land owned by a state or local housing agency, and lease it directly to service personnel at housing allowance rates. Under the program the services guarantee an occupancy rate of 97 percent. No government financial obligation is incurred unless the occupancy rate dips below that level. The maximum lease obligation is 15 years. Builders are free after this time to rent or sell the units without further restriction. Thus, the "new" Section 802 program is similar to the Wherry Housing Program of the 1950's. That program, as noted, was terminated within a few years when private owners, confident that the government leasing guarantee would provide them with rental income regardless of their maintenance practices, allowed substandard conditions to develop. How this will be prevented in the present version of the Section 802 program has not been addressed.

Another experimental program, Section 801 of the 1984 Military Construction Authorization Act, calls for private builders to construct family housing on land owned by the military. The entire development is then leased to the military for 20 years, after which time the government may opt to acquire the housing. A General Accounting Of-

fice (GAO) report (1986) raises serious cost and quality questions with respect to both the Section 801 and 802 programs.

The military at various times has leased existing, privately-owned units for its personnel. Originally this was for people assigned to small, remote tactical installations such as NORAD and Nike sites. Supplementary housing allowances have virtually eliminated this practice (U.S. General Accounting Office, 1984).

Construction and Management Projections for family-housing needs are derived from surveys carried out by each base commander and are reviewed by the regional and central offices of each service, the DOD, and the Office of Management and Budget (OMB). These plans, in turn, become part of the Military Construction bill. This bill is submitted to Congress and undergoes additional reviews before emerging as a Congressional appropriation. The housing itself is constructed by private-sector companies that obtain contracts through a public-bidding process. Construction must adhere to standards established by the Army Corps of Engineers.

A variety of dwelling types and designs are used for military housing. One- and two-story duplexes and rowhouses are most common. Single, detached units are currently built only for higher-ranking officers. High-rise apartments are rare except in Japan. Military-housing developments range widely in size. Some have over 2,000 units and others no more than a dozen. While family housing for the military is generally more attractive than and not as easily identifiable as low-rent public housing, architectural excellence is not a program goal. Typically, units are unfurnished. For units outside the continental U.S., however, some furniture is available from a base inventory. Senior officers with assigned entertainment responsibilities are provided with furnishings as well.

Mobile homes are not regarded as suitable for government ownership. Under certain conditions, however, development of government-owned mobile home park facilities is permitted on post, though the homes themselves are privately owned. The DOD has 87 mobile home sites, with some 6,300 spaces. Prefabricated housing, by contrast, is permitted occasionally.

Community facilities are provided with military housing to a far greater extent than in low-rent public housing. The majority of military-family housing is located in small towns or on the outskirts of cities where few if any community facilities exist. In contrast, most low-rent public housing is located in the inner city where such facilities are more generally available.

Problems related to quality exist in the military-housing stock, as they do in low-rent public housing and in the private sector. Four percent of military-family housing units are officially classified as "inadequate" due to substantial defects, insufficient amenities, or inadequate space standards (Camp, 1986). This marks an improvement over the years. In 1961, 15 percent of military-family housing was below the standards of that time (Department of Defense, 1961).

Generally, housing assignment is by pay grade and family size. Compounds are divided into groupings by rank. Family size determines housing size for most families. Upper-level noncommissioned officers and officers are assigned large units regardless of household size. Ostensibly this is due to entertainment responsibilities of senior personnel. But it is also due to the status and privilege reflected in military rank.

Separate waiting lists are maintained by grade category and bedroom requirements. First-come first-served rules are strictly followed, with waiting lists regularly updated and posted for inspection to reduce the likelihood of unfair treatment. Exceptions are made for individual hardship cases.

The individual services are responsible for management of military housing. A substantial portion of the housing-management personnel are civilian employees of the military. Large-scale modernization and renovation is done through contract with private firms. Likewise, normal change-of-occupancy maintenance is done by the military's civilian personnel or by private contractors. An important factor in upkeep of military housing is the control exerted over occupants by the employer-landlord. Requests to cease or modify behavior are more likely to produce results when issued by a higher-

ranking neighbor or by official complaint, as compared with a similar request in the private sector or in low-rent public housing. Regular inspections and incentive approaches like "yard-of-the-month" awards are used to improve maintenance standards. Introduction of various self-help programs and free materials for do-it-yourselfers is another incentive. Maintenance problems exist nonetheless (U.S. General Accounting Office, 1983, 1988).

Since provision of quarters or a housing allowance is part of the basic compensation to military personnel, rents and utility costs are not charged to the occupants. Thus, rent-setting and rent collection, a major management function that exists in low-rent public housing, is not part of the military housing system. Eviction actions for rent delinquency and nonpayment are also avoided. Evictions can occur when the tenant does not comply with rules and regulations or violates terms of the occupancy agreement. Neither the DOD nor the services maintain data on evictions. A 1982 DOD housing preference survey reported little dissatisfaction with the number, character, or degree of enforcement of management rules and regulations (Navy Personnel Research and Development Center, 1983).

When a base is closed or reduced in size, responsibility for unneeded family-housing units may be transferred to other federal agencies, local governments, or to the private sector (Beyard, 1987). Some are kept by the military for use by those who would otherwise be ineligible: personnel from other services, the federal civil service, and "waiting wives" are examples. Local and state governments can obtain use of housing units for low- and moderate-income civilian families without charge. Such arrangements are unpopular with local real estate brokers and builders. When a base is located in an area of low civilian-housing demand, the units may be demolished or sold at very low prices to the private sector ("Air Force base," 1984). The upcoming closure of nearly 10 percent of military bases and facilities in the U.S. and its territories (Congressional Budget Office, 1990) may cause a considerable portion of the military family-housing stock to be abandoned. Its disposal and reuse offers both problems and opportunities that have yet to be considered.

One recent proposal for use of surplus military buildings has been to house the increasing numbers of the nation's homeless. In 1983, Congress appropriated \$8 million for a program to transform surplus military buildings into shelters for the homeless. By most accounts, the program has been a failure (National Coalition for the Homeless, 1987). Regarding a Federal District Court ruling in the matter, Franklin (1987) reports that the Defense Department "abdicated its statutory responsibility," by delaying for three years publication of the guidelines for the program. According to the GAO, all but \$900,000 of the \$8 million was diverted by the Defense Department into the Army Reserves (Marriott, 1984). Of the 600 military bases earmarked as having suitable structures, two were used to house the homeless. Among problems encountered were the unsuitability of facilities for use as shelters; the lack of supporting services; the mismatch between the life-styles of the homeless and the security considerations and regimentation of military posts; and the military's failure to take the program seriously (Richburg, 1984). There have been a few success stories under the program ("Pentagon pressing its program," 1984), but in general it appears to have been a poorly planned and executed effort.

Allowances An alternative available to military families is renting or owning in the private market. Military personnel who do not live in rent-free, DOD housing are entitled to a Basic Allowance for Quarters (BAQ) in addition to their base pay. In its current form, established in 1949 (Department of Defense, 1982), the BAQ varies according to dependent status but does not vary by location. The monthly amount currently ranges from \$245.70 for the lowest pay grade with dependents to \$680.70 for the highest pay grade.

While the BAQ is adjusted periodically, it has not kept pace with the rising cost of housing. A *New York Times* feature (Lindsey, 1984) reported that only about four percent of the 21,000 personnel stationed at the Army's Fort Ord could afford to rent off-base housing:

Growing numbers of military families are sharing rented homes, one bedroom to a family; and, while the Army does not officially acknowledge it, many families are being forced to live in tents or small trailers on the grounds that were once reserved for weekend recreational campers. (p. I: 1)

Even with the special supplemental housing allowances described below, many military families are financially strained.

For some time the BAQ has clearly been inadequate to meet actual off-post housing costs. In 1980 Congress passed Public Law 96-343 creating a Variable Housing Allowance program (VHA). This program, for home owners and renters, supplemented the BAQ for uniformed personnel who live in high-cost areas in the U.S. and for their dependents when they are assigned overseas. Like the BAQ, the VHA is an entitlement. The initial 1980 VHA formula provided an allowance equal to the difference between average monthly housing cost in the specific locality for military persons in a given pay grade and 115 percent of the BAQ. Hence, individuals were required to absorb the 15 percent shortfall. If the BAQ was \$100, for example, and average local housing costs \$120, the VHA was \$5. An Association of the U.S. Army report (1985) states that before VHA, service members spent an average of \$1300 per year of their own money for housing; after the VHA supplement, the average decreased to \$500.

Within a few years, the system proved more expensive than Congress had estimated. Virtually the entire United States was a "high-cost housing area." Ninety-eight percent of off-base military residents were deemed eligible for the additional subsidy. Congress reformulated the program: first requiring service personnel to absorb 20 percent rather than 15 percent of the shortfall; then freezing the VHA for a year; and finally placing a dollar limit on the allowance.

Following a government study (Joint Service Study, 1984), a new VHA system was introduced in 1985 that disconnected the link between the BAQ and the VHA. The VHA is now calculated as the difference between the average housing costs in the locality by pay grade and 80 percent of the national median housing costs for persons in that pay grade. The new VHA on average covers 20 percent of real housing costs, the BAQ covers 65 percent, and the service person must absorb 15 percent (U.S. General Accounting Office, 1989). All but about five percent of all military personnel living off-base now receive a VHA.

Housing allowance supplements are provided to overseas military personnel not living in government quarters. This program, formerly known as Station Housing Allowance and later as Rent Plus, is now called Overseas Housing Allowance (U.S. General Accounting Office, 1980). Through it, rent ceilings are established by pay grade and geographic area from annual surveys of off-base housing expenses. Payments to supplement the BAQ are made based on the ceiling or on actual costs. The system has led to some abuses, including collusion by landlords and service personnel who defraud the government by artificially raising rental charges ("Audit tells," 1985). Despite these allowance programs, serious housing problems exist among overseas personnel (Association of the U.S. Army, 1982, 1984; U.S. General Accounting Office, 1990).

Total expenditures for BAQ in FY 1988 were \$4.367 billion; for VHA it was \$1.036 billion; for Overseas Housing Allowance, \$436 million. These total to \$5.8 billion. By comparison, HUD outlays for FY 1987 for the low-rent, public-housing program were \$3.5 billion and \$4.1 billion for the Section 8 rent-subsidy program (Congressional Budget Office, 1988).

Segregation and Discrimination

According to all those interviewed on this subject, racial segregation does not exist in military-family housing developments. This is easily confirmed by inspecting the developments themselves. Housing units are assigned strictly according to bedroom size and time on the waiting list. Assignment by rank, however, produces quite a different racial and gender mix among the different housing areas. This is particularly conspicuous at the upper levels where there are few minority or female admirals, colonels, etc. But in general, the military-housing program has instituted racial integration on a large

scale (Moskos, 1986). One of the few community studies of a military-housing complex observed that its racial composition of 52 percent black, 40 percent white, 6 percent Hispanic, and 2 percent Asian makes it "very different from working-class civilian communities, which tend to be racially segregated or at least predominantly of one race" (Segal, 1986, pp.189-90). Segal also notes that the community selected for study "is probably fairly representative of many other Army post housing areas whose residents are soldiers in the middle enlisted ranks and their families" (p.184). It is a remarkable fact that in this one, fairly large segment of residential life in the United States, racial segregation has been abolished by fiat.

Racially integrated living patterns do not, of course, necessarily produce harmonious interpersonal relations. Segal (1986) reports that in almost half the households she interviewed, at least one respondent said racial problems existed, although these were not usually severe. A DOD study based on spouses' responses reported that less than 20 percent felt racial tensions were a serious problem in their housing complexes. Spouses of enlisted personnel were more likely to feel this than were spouses of officers. And in a list of problem areas cited by spouses, racial tensions ranked last following alcohol abuse, crime, drug abuse, juvenile delinquency, child abuse, rape, and spouse abuse (Defense Manpower Data Center, 1986b).

Response to Military-Family Housing

Preference and availability are the primary factors that determine which part of the housing entitlement program a household receives. As noted, most installations have long waiting lists. This does not necessarily imply a preference for such housing: private-market housing options may be unattractive or too expensive. Nor does preference for military housing necessarily imply satisfaction once one does get in.

The principal reasons for preferring the military housing option, given the realities of the alternative, are:

1. **Cost:** No rent, security deposit, or utility charges are involved. Housing allowances are usually insufficient to cover the costs of renting or owning in the private sector.
2. **Convenience:** Proximity to the base and its medical, recreational, and shopping facilities is advantageous. The commissary and base exchange provide food, clothing, and other necessities at a substantial discount.
3. **Social considerations:** There is an increased perception of security and safety among other military families who share similar life patterns and problems, particularly when the military member of the household is away for extended periods. Community prejudice against military families, due in part to their transience, may also create a preference for segregation and an "in group" mentality and living pattern (Collins, 1985; Segal, 1986; Neuffer, 1987).

A Navy Personnel Research and Development Center study (1983) of all services reported that, generally, preference for military as opposed to civilian housing is an inverse function of rank. Military personnel with higher pay grades are associated with increasing age, income levels, and social status. They also have greater choice in the private market. Home ownership is an option for this group who may have less of a need and desire for the social aspect of living in a military-family community. Sixteen percent of military personnel are home owners and home ownership rates rise steeply with rank among both enlisted and officer pay grades.

High transiency rates are a defining feature of military communities and shape their attitudes toward housing. Segal (1986) reports that nearly three out of five families in the complex she studied had been there a year or less. The frequency of moves by neighbors and the expectation that one will be moving within a short time make it difficult for residents to view their community as "home."

A DOD study of family-housing attitudes and experiences reports that only one fourth of military spouses rate their military housing as excellent or good. In a series of

questions about the satisfactions and dissatisfactions of military life, 35 percent characterized their military housing as satisfactory or very satisfactory, while 29 percent characterized it as unsatisfactory or very unsatisfactory (Defense Manpower Data Center, 1986b). Satisfaction and dissatisfaction with living conditions in military housing is a function of housing quality. This can vary widely from base to base and within a given complex, as partial renovation programs sometimes create desirable and undesirable sections. "Not surprisingly," reports Segal (1986, p. 192), "those in the new units, especially the women, are much more satisfied with their houses. Feelings of relative deprivation are expressed by residents in the older units. (Such feelings are expressed in about three quarters of those households.)" Service policy of assigning vacant units to those on the waiting list can create resentments among existing residents living in older, unremodeled units when a newcomer happens to get a better unit. This policy was devised to minimize moving expenses and redecorating costs between tenancies. As Woolley (1983) reports, substandard housing and neighborhood conditions can produce very dissatisfied military families, a phenomenon equally true for any other housing complex, private or public.

Conclusion

In describing the military-housing system, several features stand out. First is the use of direct appropriations or capital grants for constructing military-family housing. In the private sector the cost of credit is central to the cost of housing. This creates an affordability crisis that manifests itself in lop-sided rent-income ratios, increased crowding, homelessness, and high foreclosure rates. As an alternative to these pitfalls, housing programs that decrease or end reliance on debt financing must be given serious consideration (Institute for Policy Studies, 1989). The fact that a government housing program has existed in the U.S. and has produced tens of thousands of units through such a financing system should be recognized and further studied.

A second unique feature of the military-family housing system is that it is an entitlement program: everyone who meets the rank and length of service criteria has a right to free housing or to a housing allowance. Nowhere else in the U.S. housing system, the home owner deduction notwithstanding, does the concept of entitlement exist. A right to adequate housing is something society has neither recognized nor implemented. This attitude endures despite the 1949 Housing Act that proclaimed a National Housing Goal of providing "a decent home and suitable living environment for every American family." While a universal right or entitlement to decent, affordable housing seems unachievable in the near future, it is useful to know that something resembling this already exists for a substantial part of the population.

A third feature worth emphasizing is the successful abolition of racial segregation in military-family housing. Given the increasing patterns of racial segregation in society, and the segregated nature of low-rent public-housing programs (Bratt, 1986), it is inspiring to see examples where segregated living patterns have been overcome.

We can look to the military's family-housing program for some lessons and principles. This is true on the broad social scale suggested above, yet also for detailed matters such as how waiting lists are handled, and how to design more appealing developments that fit better into their environs. We might also learn by comparing the private-market subsidy programs in each bureaucracy and perhaps improve both. There are shortcomings in the military-housing program. But it has been quite successful in creating a housing system outside the market economy that offers useful lessons to housing-policy analysts and political leaders.

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