

# The Connecticut Defense Breakdown Economic Impact Report

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- **9%:** In 2012, President Obama limited U.S. military capability to fighting one “regional conflict” and one “holding action.” Defense budgets for 2013-2021 were cut **\$487 billion – a 9% cut, at a minimum.**
- **18%:** “Sequestration,” required by law in 2011, mandates **\$500 billion** more in 2013-2021 defense cuts – **an 18% cut, at a minimum.** President Obama said he will veto any changes Congress makes.
- **Be Prepared:** In 2013 **these cuts in defense jobs and businesses** will hit Connecticut counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect Connecticut, using actual 2010 Connecticut data.**
- **Ask Questions:** In 2012, Congress and President Obama will decide on the specific defense budget cuts. In the next 6 months, find out if these defense cuts affect your community more – or less – than this national average. See [www.forthecommondefense.org/reports](http://www.forthecommondefense.org/reports) for reports on cities, counties, industries and more.

**A 2011 nationwide economic impact study from the Center for Regional Analysis predicts that Connecticut could lose tens of thousands of jobs and billions of dollars under the “Sequestration” law:**

- Connecticut could lose 34,215 jobs.
- Connecticut’s economy could lose \$1.99 billion in lost earnings.
- Connecticut could see a \$2.90 billion decrease in Gross State Product (GSP).

**Congressional experts estimate Connecticut could lose DOD military active-duty and DOD civilian jobs:**

- Under “Sequestration,” 319 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 656 **civilian DOD employees** could lose their jobs.

## Connecticut Top 5 Counties Projected Revenue Reductions Based On National Average

County Name	2000-2010 Revenue	2010 Revenue (Baseline)	2013-2021 Annual Revenue Reduced By At Least 9%	Under Sequestration: 2013-2021 Annual Revenue Reduced By At Least 18%
Fairfield	\$29,300,776,192	\$4,257,304,153	-\$383,157,389	-\$766,314,778
New London	\$28,347,177,955	\$3,575,954,397	-\$321,835,909	-\$643,671,817
Hartford	\$34,275,236,494	\$3,408,661,619	-\$306,779,558	-\$613,559,116
New Haven	\$1,636,209,279	\$147,688,994	-\$13,292,010	-\$26,584,020
Middlesex	\$649,167,857	\$68,297,583	-\$6,146,783	-\$12,293,565



## Connecticut businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows Connecticut businesses earned over \$11.53 billion supporting America’s defense:

- But under these 10-year defense cuts of at least 9%, Connecticut **annual business losses** could be greater than **\$1.04 billion**. Connecticut businesses may have to **fire workers**.
- And at the “Sequestration” level of at least 18% in defense cuts, Connecticut **annual business losses** could be greater than **\$2.08 billion**. Some Connecticut businesses may have to **shut down**.

## With at least 9% or 18% in planned budget cuts, Connecticut’s small businesses will suffer.

From 2000-2010, {TotalBusinesses} Connecticut businesses provided goods and services for America’s national defense:

- **44 minority-owned businesses**, including 4 owned by Black Americans, 16 owned by Hispanic Americans, 1 owned by Native Americans, 9 owned by Asian-Pacific Americans, and 14 owned by other minority Americans.
- **43 small businesses** including 30 “8A” and **small disadvantaged businesses** (SDB’s)
- **104 woman-owned** businesses
- **99 veteran-owned** businesses, including 14 owned by **service-disabled veterans**

### Connecticut Businesses Projected Revenue Reductions Based On National Average

Type of Business	Numbers of This Business Type 2000-2010	Revenue for This Business Type 2010	Revenue Losses for Business Type 2010 - at Least 9% Reduction	Revenue Losses for Business Type 2010 - at Least 18% Reduction
Minority Owned	44	\$93,639,513	-\$8,427,557	-\$16,855,113
Small Businesses	13	\$221,072,210	-\$19,896,500	-\$39,792,999
Small Disadvantaged	30	\$41,246,854	-\$3,712,217	-\$7,424,434
Veteran-Owned	85	\$65,711,250	-\$5,914,013	-\$11,828,025
Service-Disabled Veteran	14	\$28,095,268	-\$2,528,574	-\$5,057,148
Black American	4	\$76,374	-\$6,874	-\$13,747
Hispanic American	16	\$52,358,181	-\$4,712,236	-\$9,424,473
Asian-Pacific Owned	9	\$2,733,489	-\$246,014	-\$492,028
Women-Owned	104	\$73,089,150	-\$6,578,024	-\$13,156,048

