

# The Washington, D.C. 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 Washington, D.C. counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect Washington, D.C., using actual 2010 Washington, D.C. 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 Washington DC could lose tens of thousands of jobs and billions of dollars under the “Sequestration” law:**

- Washington, D.C. could lose 14,129 jobs.
- Washington, D.C.’s economy could lose \$834 million in lost earnings.
- Washington, D.C. could see a \$1.21 billion decrease in Gross State Product (GSP).

**Congressional experts estimate Washington, D.C. could lose DOD military active-duty and DOD civilian jobs:**

- Under “Sequestration,” 2,237 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 4,022 **civilian DOD employees** could lose their jobs.

## Washington, D.C. 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%
D.C.	\$17,204,182,968	\$1,844,034,560	-\$165,963,117	-\$331,926,234



## Washington, D.C. businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows Washington, D.C. businesses earned over \$1.84 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Washington, D.C. **annual business losses** could be greater than **\$166 million**. Washington, D.C. businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Washington, D.C. **annual business losses** could be greater than **\$332 million**. Some Washington, D.C. businesses may have to **shut down**.

## With at least 9% or 18% in planned budget cuts, Washington, D.C.'s small businesses will suffer.

From 2000-2010, {TotalBusinesses} Washington, D.C. businesses provided goods and services for America's national defense:

- **166 minority-owned businesses**, including 118 owned by Black Americans, 17 owned by Hispanic Americans, 4 owned by Native Americans, 11 owned by Asian-Pacific Americans, and 16 owned by other minority Americans.
- **144 small businesses** including 52 "8A" and **small disadvantaged businesses** (SDB's)
- **87 woman-owned** businesses
- **65 veteran-owned** businesses, including 30 owned by **service-disabled veterans**

### Washington, D.C. 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	166	\$229,287,974	-\$20,635,918	-\$41,271,837
Small Businesses	92	\$161,158,286	-\$14,504,246	-\$29,008,493
Small Disadvantaged	52	\$64,906,748	-\$5,841,608	-\$11,683,215
Veteran-Owned	35	\$101,254,974	-\$9,112,948	-\$18,225,896
Service-Disabled Veteran	30	\$81,402,043	-\$7,326,184	-\$14,652,368
Black American	118	\$134,099,883	-\$12,068,990	-\$24,137,980
Hispanic American	17	\$12,271,477	-\$1,104,433	-\$2,208,866
Asian-Pacific Owned	11	\$27,587,058	-\$2,482,835	-\$4,965,671
Women-Owned	87	\$77,858,045	-\$7,007,224	-\$14,014,449

