

# The Illinois Defense Breakdown Economic Impact Report

Go to [www.forthecommondefense.org/reports](http://www.forthecommondefense.org/reports) to view detailed reports on Illinois counties, cities, Congressional Districts, industries, small businesses and information on sources and methodology.

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

- Illinois could lose 21,626 jobs.
- Illinois’ economy could lose \$1.28 billion in lost earnings.
- Illinois could see a \$1.86 billion decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 1,685 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 3,943 **civilian DOD employees** could lose their jobs.

## Illinois 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%
Cook	\$20,610,131,388	\$2,898,948,383	-\$260,905,365	-\$521,810,730
Dupage	\$14,177,315,336	\$2,435,747,492	-\$219,217,283	-\$438,434,566
Lake	\$4,207,081,421	\$673,450,087	-\$60,610,510	-\$121,221,020
Pulaski	\$777,847,349	\$373,044,000	-\$33,573,961	-\$67,147,923
Peoria	\$2,077,243,711	\$299,755,298	-\$26,977,978	-\$53,955,956



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

Public data for 2010 shows Illinois businesses earned over \$7.56 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Illinois **annual business losses** could be greater than **\$680 million**. Illinois businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Illinois **annual business losses** could be greater than **\$1.36 billion**. Some Illinois businesses may have to **shut down**.

## With at least 9% or 18% in planned budget cuts, Illinois' small businesses will suffer.

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

- **189 minority-owned businesses**, including 55 owned by Black Americans, 43 owned by Hispanic Americans, 6 owned by Native Americans, 45 owned by Asian-Pacific Americans, and 40 owned by other minority Americans.
- **185 small businesses** including 126 "8A" and **small disadvantaged businesses** (SDB's)
- **318 woman-owned** businesses
- **186 veteran-owned** businesses, including 51 owned by **service-disabled veterans**

### Illinois 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	189	\$489,729,613	-\$44,075,667	-\$88,151,334
Small Businesses	59	\$438,411,205	-\$39,457,010	-\$78,914,020
Small Disadvantaged	126	\$103,786,929	-\$9,340,824	-\$18,681,648
Veteran-Owned	135	\$68,537,988	-\$6,168,419	-\$12,336,838
Service-Disabled Veteran	51	\$315,971,305	-\$28,437,419	-\$56,874,837
Black American	55	\$28,474,222	-\$2,562,680	-\$5,125,360
Hispanic American	43	\$63,205,334	-\$5,688,480	-\$11,376,961
Asian-Pacific Owned	45	\$369,941,656	-\$33,294,750	-\$66,589,501
Women-Owned	318	\$247,276,062	-\$22,254,846	-\$44,509,693

