

The Indiana Defense Breakdown Economic Impact Report

Go to www.forthecommondefense.org/reports to view detailed reports on Indiana 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 Indiana counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect Indiana, using actual 2010 Indiana 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 for reports on cities, counties, industries and more.

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

- Indiana could lose 13,273 jobs.
- Indiana’s economy could lose \$784 million in lost earnings.
- Indiana could see a \$1.14 billion decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 518 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 2,733 **civilian DOD employees** could lose their jobs.

Indiana 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%
Marion	\$10,975,127,387	\$1,358,843,581	-\$122,295,927	-\$244,591,854
St Joseph	\$18,336,063,429	\$1,133,629,669	-\$102,026,674	-\$204,053,349
Allen	\$7,752,631,276	\$862,082,549	-\$77,587,432	-\$155,174,865
Vanderburgh	\$1,943,719,790	\$148,707,843	-\$13,383,706	-\$26,767,413
Whitley	\$482,711,177	\$90,996,477	-\$8,189,683	-\$16,379,367



Indiana businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows Indiana businesses earned over \$4.06 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Indiana **annual business losses** could be greater than **\$366 million**. Indiana businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Indiana **annual business losses** could be greater than **\$731 million**. Some Indiana businesses may have to **shut down**.

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

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

- **73 minority-owned businesses**, including 32 owned by Black Americans, 15 owned by Hispanic Americans, 2 owned by Native Americans, 8 owned by Asian-Pacific Americans, and 16 owned by other minority Americans.
- **82 small businesses** including 51 "8A" and **small disadvantaged businesses** (SDB's)
- **124 woman-owned** businesses
- **100 veteran-owned** businesses, including 27 owned by **service-disabled veterans**

Indiana 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	73	\$136,078,785	-\$12,247,091	-\$24,494,182
Small Businesses	31	\$44,903,465	-\$4,041,312	-\$8,082,624
Small Disadvantaged	51	\$105,698,941	-\$9,512,905	-\$19,025,810
Veteran-Owned	73	\$173,733,554	-\$15,636,020	-\$31,272,041
Service-Disabled Veteran	27	\$17,857,974	-\$1,607,218	-\$3,214,435
Black American	32	\$13,490,510	-\$1,214,146	-\$2,428,292
Hispanic American	15	\$36,782,835	-\$3,310,455	-\$6,620,911
Asian-Pacific Owned	8	\$1,246,538	-\$112,188	-\$224,377
Women-Owned	124	\$110,197,087	-\$9,917,738	-\$19,835,476

