

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

- Louisiana could lose 17,751 jobs.
- Louisiana’s economy could lose \$1.05 billion in lost earnings.
- Louisiana could see a \$1.53 billion decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 2,900 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 1,662 **civilian DOD employees** could lose their jobs.

## Louisiana 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%
Orleans	\$7,537,314,517	\$1,089,004,488	-\$98,010,408	-\$196,020,816
Jefferson	\$8,658,117,828	\$762,590,205	-\$68,633,121	-\$137,266,242
E. Baton Rouge	\$1,795,753,823	\$517,638,808	-\$46,587,495	-\$93,174,989
Saint Tammany	\$2,255,243,718	\$436,004,453	-\$39,240,402	-\$78,480,805
Lafourche	\$824,604,933	\$172,860,730	-\$15,557,466	-\$31,114,933



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

Public data for 2010 shows Louisiana businesses earned over \$3.59 billion supporting America’s defense:

- But under these 10-year defense cuts of at least 9%, Louisiana **annual business losses** could be greater than **\$323 million**. Louisiana businesses may have to **fire workers**.
- And at the “Sequestration” level of at least 18% in defense cuts, Louisiana **annual business losses** could be greater than **\$647 million**. Some Louisiana businesses may have to **shut down**.

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

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

- **147 minority-owned businesses**, including 87 owned by Black Americans, 25 owned by Hispanic Americans, 5 owned by Native Americans, 7 owned by Asian-Pacific Americans, and 23 owned by other minority Americans.
- **141 small businesses** including 57 “8A” and **small disadvantaged businesses** (SDB’s)
- **145 woman-owned** businesses
- **109 veteran-owned** businesses, including 33 owned by **service-disabled veterans**

### Louisiana 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	147	\$300,661,918	-\$27,059,574	-\$54,119,147
Small Businesses	84	\$288,475,151	-\$25,962,765	-\$51,925,529
Small Disadvantaged	57	\$81,001,394	-\$7,290,126	-\$14,580,251
Veteran-Owned	76	\$97,084,267	-\$8,737,584	-\$17,475,169
Service-Disabled Veteran	33	\$76,927,188	-\$6,923,447	-\$13,846,894
Black American	87	\$79,121,474	-\$7,120,933	-\$14,241,866
Hispanic American	25	\$73,859,470	-\$6,647,353	-\$13,294,705
Asian-Pacific Owned	7	\$24,469,905	-\$2,202,292	-\$4,404,583
Women-Owned	145	\$260,441,864	-\$23,439,769	-\$46,879,537

