

The Missouri Defense Breakdown Economic Impact Report

Go to www.forthecommondefense.org/reports to view detailed reports on Missouri 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 Missouri counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect Missouri, using actual 2010 Missouri 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 Missouri could lose tens of thousands of jobs and billions of dollars under the “Sequestration” law:

- Missouri could lose 31,196 jobs.
- Missouri’s economy could lose \$1.85 billion in lost earnings.
- Missouri could see a \$2.70 billion decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 2,988 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 2,496 **civilian DOD employees** could lose their jobs.

Missouri 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%
Saint Louis	\$63,432,961,644	\$6,636,583,863	-\$597,292,571	-\$1,194,585,143
Saint Louis	\$15,846,954,679	\$2,310,446,600	-\$207,940,202	-\$415,880,405
Jackson	\$6,957,611,721	\$1,254,404,619	-\$112,896,420	-\$225,792,840
Saint Charles	\$1,090,515,610	\$188,893,136	-\$17,000,383	-\$34,000,766
Johnson	\$258,378,309	\$74,657,947	-\$6,719,215	-\$13,438,431



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

Public data for 2010 shows Missouri businesses earned over \$10.83 billion supporting America’s defense:

- But under these 10-year defense cuts of at least 9%, Missouri **annual business losses** could be greater than **\$975 million**. Missouri businesses may have to **fire workers**.
- And at the “Sequestration” level of at least 18% in defense cuts, Missouri **annual business losses** could be greater than **\$1.95 billion**. Some Missouri businesses may have to **shut down**.

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

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

- **109 minority-owned businesses**, including 45 owned by Black Americans, 18 owned by Hispanic Americans, 7 owned by Native Americans, 11 owned by Asian-Pacific Americans, and 28 owned by other minority Americans.
- **105 small businesses** including 67 “8A” and **small disadvantaged businesses** (SDB’s)
- **248 woman-owned** businesses
- **182 veteran-owned** businesses, including 50 owned by **service-disabled veterans**

Missouri 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	109	\$567,471,479	-\$51,072,435	-\$102,144,870
Small Businesses	38	\$128,283,836	-\$11,545,546	-\$23,091,091
Small Disadvantaged	67	\$32,223,163	-\$2,900,085	-\$5,800,170
Veteran-Owned	132	\$76,239,031	-\$6,861,513	-\$13,723,026
Service-Disabled Veteran	50	\$29,762,549	-\$2,678,630	-\$5,357,259
Black American	45	\$411,616,795	-\$37,045,513	-\$74,091,026
Hispanic American	18	\$43,754,954	-\$3,937,946	-\$7,875,892
Asian-Pacific Owned	11	\$1,608,553	-\$144,770	-\$289,540
Women-Owned	248	\$99,987,134	-\$8,998,842	-\$17,997,685

