

The South Carolina Defense Breakdown Economic Impact Report

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

- South Carolina could lose 13,666 jobs.
- South Carolina’s economy could lose \$807 million in lost earnings.
- South Carolina could see a \$1.17 billion decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 5,420 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 2,602 **civilian DOD employees** could lose their jobs.

South Carolina 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%
Greenville	\$6,503,998,695	\$2,193,320,843	-\$197,398,884	-\$394,797,767
Berkeley	\$4,477,730,031	\$679,520,038	-\$61,156,806	-\$122,313,612
Charleston	\$3,501,014,606	\$426,848,953	-\$38,416,407	-\$76,832,815
Richland	\$2,383,341,502	\$206,475,169	-\$18,582,766	-\$37,165,532
Aiken	\$1,428,293,774	\$153,945,803	-\$13,855,123	-\$27,710,246



South Carolina businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows South Carolina businesses earned over \$4.02 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, South Carolina **annual business losses** could be greater than **\$362 million**. South Carolina businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, South Carolina **annual business losses** could be greater than **\$724 million**. Some South Carolina businesses may have to **shut down**.

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

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

- **112 minority-owned businesses**, including 65 owned by Black Americans, 16 owned by Hispanic Americans, 5 owned by Native Americans, 12 owned by Asian-Pacific Americans, and 14 owned by other minority Americans.
- **104 small businesses** including 55 "8A" and **small disadvantaged businesses** (SDB's)
- **176 woman-owned** businesses
- **194 veteran-owned** businesses, including 75 owned by **service-disabled veterans**

South Carolina 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	112	\$152,249,109	-\$13,702,420	-\$27,404,841
Small Businesses	49	\$144,136,622	-\$12,972,296	-\$25,944,593
Small Disadvantaged	55	\$9,137,758	-\$822,398	-\$1,644,797
Veteran-Owned	119	\$87,106,392	-\$7,839,576	-\$15,679,151
Service-Disabled Veteran	75	\$66,772,926	-\$6,009,564	-\$12,019,127
Black American	65	\$68,117,002	-\$6,130,530	-\$12,261,061
Hispanic American	16	\$39,612,277	-\$3,565,105	-\$7,130,210
Asian-Pacific Owned	12	\$6,139,219	-\$552,530	-\$1,105,059
Women-Owned	176	\$101,479,470	-\$9,133,153	-\$18,266,305

