

Defense impact on the economy can be assessed in both a static and dynamic way. The static or point-in-time estimate of defense impact focuses on the geographic concentration of defense-employed resources and the dependency of an area on defense employment. Tables 4 to 9 illustrate this dimension of defense impact at the State, labor market area, and defense product group levels. The dynamic or trend element of defense impact is concerned with issues such as: Is DOD's utilization of economic resources increasing or decreasing? At what rate and in what areas? The final four tables, tables 10 to 13, present the relevant data for an assessment of this dimension of impact at the State and defense product group levels.

CONCENTRATION OF DEFENSE-GENERATED EMPLOYMENT

Table 4 presents the State distribution of defense-generated employment, military personnel and the total civilian labor force both in absolute terms (cols. 7 to 9) and percentage terms (cols. 2 to 4). Column 5 contains an index expressing the relative concentration of defense-generated employment. An entry of one in this column signifies that the State has the same percent of the U.S. defense-generated employment and the U.S. labor force; an entry greater than one signifies a higher percentage of total defense employment than indicated by the labor force share. California and New York illustrate extremes. The former's share of defense employment is almost twice its percent of the U.S. labor force; New York has a reverse relationship.

Ten States have a significantly greater share of the U.S. defense employment than indicated by their share of the U.S. labor force; 17 have a significantly smaller share.

The 12 Midwestern States, except Kansas and Missouri, have a significantly smaller share of defense employment than their share of the U.S. labor force.

Column 6 presents the relative concentration of the combined total of defense-generated employment and military personnel as measured against the total work force plus military personnel. A comparison of the indexes in column 6 with column 5 shows a shift from less than one to more than one for those States having relatively large military populations, notably North Carolina, South Carolina, and Kentucky.