A Comprehensive Strategy for Defense Transition Assistance

As we wind down two wars and begin the postwar defense drawdown, we need to help ease the transition to new economic activity for communities, workers and businesses currently dependent on wartime levels of military spending. Doing so will make achieving the defense savings more likely: Communities working on a Plan B don’t need to be single-mindedly focused on trying to protect contracts for military hardware we don’t need.

An integrated approach to this challenge links measures at the federal, state and local levels.

Federal:

- **Fiscal shift**: Realigning federal budgetary resources from unneeded weapons programs to investment in civilian manufacture is the most effective way to generate alternative economic possibilities for defense-dependent communities, workers and businesses. Focusing this investment on creating a low carbon economy is a vehicle both for preserving our future physical and financial health, and for increased job creation.

- **Targeted defense transition assistance**: Existing programs can help communities chart a path to new civilian economic activity; help workers transition to new work producing for the civilian sector; and help businesses restructure and retool for civilian manufacture. A framework for strengthening existing federal assistance is outlined here.

State:

- **Diversification planning**: This year Connecticut established a Commission with a mandate to develop a plan for diversifying the state’s defense-dependent economy. Other states need to follow suit.

- **Diversification assistance**: States need to establish funds to help defense-dependent communities and businesses move into commercial markets. A few already have.

Local:

- **Advocacy** for
  - Rebalancing the federal budget to divest from weapons production we don’t need and invest in the low carbon economy we do need;
  - Commissions to develop state diversification strategies;
  - Transition assistance at the federal and state levels.

- **Local models of transition**: Using federal planning funds, local coalitions—including public officials, economic development specialists, unions, and community groups—can develop transition plans to move their communities from defense dependency to alternative economic activity. These transition initiatives can generate lessons and models for other communities to learn from.

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