



Missouri Economic Impact Brief

The Economic Impact of Military Personnel in Missouri

Missouri Military Personnel – FY09

This brief examines the economic impact of active military and federal civilian employment for Missouri. The report finds that the presence of the military in Missouri significantly increased gross state product, employment, and labor income in 2009. Analysis is based on the level of active military and federal civilian employment as reported by the U.S. Department of Defense.

The Military in Missouri

In FY2009 the Department of Defense employed a total of 27,907 civilian and active duty military personnel in Missouri; 17,925 military and 9,982 civilian. The majority of these were located at 11 major stations across the state. The table below shows a listing of the 11 major locations with a break out of active duty military and civilian personnel.

Table 1. Military and Civilian Personnel at Major Missouri Locations, FY09

Major Locations	Total	Active Military	Civilian
Fort Leonard Wood	15,578	11,682	3,896
Whiteman AFB	4,246	3,264	982
St. Louis	1,443	463	980
Kansas City	1,244	161	1,083
Overland	865	0	865
Jefferson City	629	230	399
Springfield	472	246	226
Belton	471	413	58
Olivette	341	341	0
St. Joseph	242	3	239
St. Ann	157	12	145

*An additional 2,219 military and civilian employees worked at various locations throughout the state.

The Economic Impact of the Military in Missouri

In 2009 the presence of the military in Missouri had a significant impact on the state economy. The presence of active military and civilian employees caused an estimated increase in gross state product of \$3.97 billion as well as an estimated \$2.24 billion dollar increase in wage and salary income for Missouri.

In addition to the 27,907 active civilian and military jobs provided through direct employment by the Department of Defense, the presence of the military in Missouri also added another 28,677 jobs to the economy. Increased employment was due to spending on inputs needed for military business as well as jobs generated through expenditures of those employed by the Department of Defense. Aside from federal government employment, the industries with the greatest increases in employment were retail trade (4,906) and construction (2,975). Major employment increases due to the presence of the military in Missouri are listed below. Industries with an employment increase of less than 100 are not included in this table.

Table 2. Employment Due to the Presence of the Military in Missouri

Industry	Employees	Industry	Employees
State & Local Government	2,895	Real Estate, Rental, & Leasing	1,425
Federal Civilian Government	9,982	Professional & Technical Services	2,526
Federal Military Government	17,925	Management of Companies & Enterprises	140
Construction	2,975	Administrative & Waste Remed Services	2,428
Manufacturing	436	Educational Services	534
Wholesale Trade	455	Health Care & Social Assistance	2,869
Retail Trade	4,906	Arts, Entertainment, & Recreation	629
Transportation & Warehousing	193	Accommodation & Food Services	2,814
Information	372	Other Services	2,041
Finance & Insurance	923		

The Fiscal Impact of the Military in Missouri

The presence of the military in Missouri contributed an estimated \$112.9 million to state general revenues. Revenues were primarily driven by increases in individual income tax due to the presence of military related jobs in the state. Other tax revenues which increased were sales and use, and corporate income tax. The presence of the military in Missouri caused more people to migrate to the state, increasing state spending on education, public amenities, and social services by an amount of \$51.4 million. The net result for the Missouri state budget was a positive increase of \$61.5 million.

Methodology

This impact study was conducted using version 9.5 of the Regional Economic Models Incorporated (REMI) economic model. Numbers for active duty military and federal civilian employment were drawn from the Department of Defense. This included employment numbers for all Department of Defense programs. Numbers for the Army Reserve and National Guard were not included in the summary. Including a count of full-time employees of the Army Reserve and National Guard would have increased the impact reported in this study. For this reason, this impact should be considered conservative.



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