

A Study of the Economic Resiliency of Military Communities

Jeffrey S. Szorik
Kendric H. Robbins

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The Economic Resiliency of Military Communities

I. Executive Summary:

Based on an analysis of 25 military Metropolitan Statistical Areas (MSAs) compared to 25 similarly sized civilian MSAs across nine key economic indicators, the evidence supports the conclusion that military communities show a pronounced economic stability and resilience, particularly during periods of national economic downturns.^{1 2}

This paper presents a comprehensive analysis of the economic performance and resiliency of U.S. metropolitan areas with a significant military presence. The central objective is to evaluate the thesis that these military-adjacent communities are more stable and resilient than their civilian counterparts and that they outperform on most standard economic metrics. The data indicate that military-adjacent MSAs exhibit distinct advantages in several critical areas. They consistently demonstrate lower unemployment rates and superior employment stability during recessions. For example, during the 2020 COVID-19 recession, military MSAs experienced a significantly lower peak unemployment rate and a faster recovery to pre-recession levels than their civilian peers.³ The economic output of these communities, as measured by GDP, shows a remarkable stability, with significantly lower volatility during downturns.⁴ This resilience is fundamentally driven by the consistent and non-cyclical nature of federal defense spending.

The analysis also reveals that Military MSAs generally have lower median household and per capita incomes, higher poverty rates, and significantly lower rates of educational attainment compared to their civilian counterparts.^{5 6 7} This complex

¹ [U.S. Census Bureau, "Population Distribution and Change: 2010 to 2020," August 12, 2021.](#)

² [Bureau of Labor Statistics, "Unemployment rates in June 2024," *Metropolitan Area Employment and Unemployment Summary*, July 2024.](#)

³ [Bureau of Labor Statistics, "Unemployment rates higher in all 389 metropolitan areas from April 2019 to April 2020," *The Economics Daily*, July 2020.](#)

⁴ [U.S. Bureau of Economic Analysis \(BEA\), "Gross Domestic Product \(GDP\) by Metropolitan Area," Q1 2024.](#)

⁵ [U.S. Census Bureau, "Median Household Income \(in 2022 Inflation-Adjusted Dollars\): 2022 American Community Survey 1-Year Estimates," September 14, 2023.](#)

⁶ [U.S. Census Bureau, "Per Capita Income \(in 2022 Inflation-Adjusted Dollars\): 2022 American Community Survey 1-Year Estimates," September 14, 2023.](#)

⁷ [U.S. Census Bureau, "Population Distribution and Change: 2010 to 2020," August 12,](#)

profile suggests a dual economy where the stable, federally-backed military community exists alongside a local civilian economy that may face structural challenges.

In synthesizing these findings, the paper concludes that military communities function as "defensive" economic anchors. Their economies are more predictable and less volatile, making them uniquely resilient to national economic shocks. The thesis of outperformance is more accurately framed as a function of superior stability and resiliency, distinguishing these communities not by their ability to generate rapid growth but by their capacity to withstand and recover from economic adversity with greater reliability.

II. The Historical Context of Defense Economics and Policy Shifts

Defense Spending: 1970s to the Present

U.S. defense spending has followed a cyclical pattern over the last five decades, responding to geopolitical shifts and domestic fiscal policies. Following the end of the Vietnam War, defense budgets saw a period of decline before the significant military buildup of the Reagan administration in the 1980s. The collapse of the Soviet Union at the end of the Cold War ushered in an era of anticipated budget reductions known as the "peace dividend".⁸ This period was characterized by a decline in defense spending as a percentage of GDP, which bottomed out at roughly 3% during the Clinton administration.⁹ This trend reversed dramatically after the September 11, 2001, terrorist attacks. The subsequent wars in Iraq and Afghanistan led to a massive and sustained increase in defense spending. The U.S. military budget for fiscal year 2025 is an estimated \$850 billion, representing about 3% of GDP.¹⁰ The composition of this spending is roughly split, with personnel costs accounting for nearly half and the remainder allocated to procurement, research, and development.¹¹

[2021.](#)

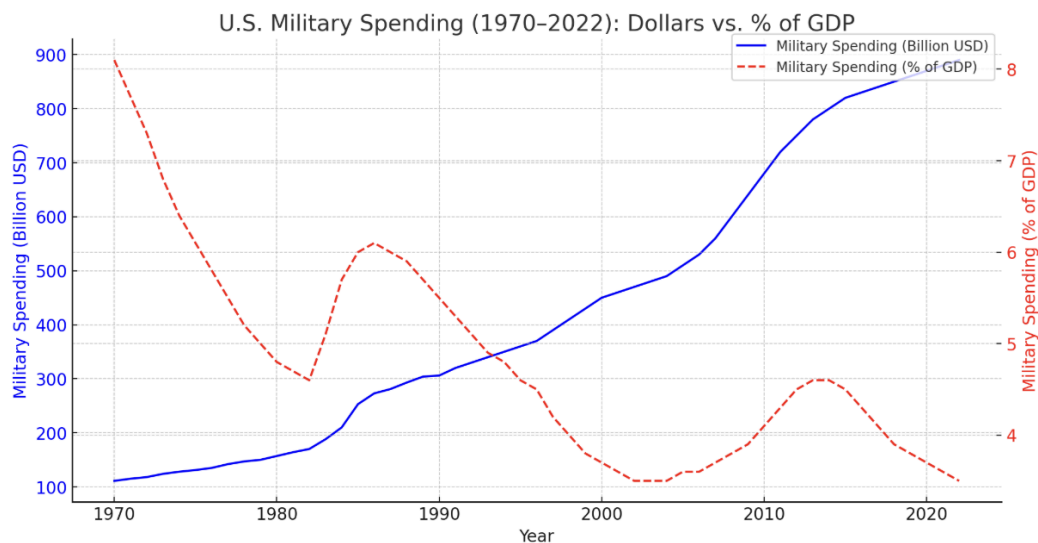
⁸ [Econofact, "U.S. Defense Spending in Historical and International Context," May 14, 2024.](#)

⁹ [Econofact, "U.S. Defense Spending in Historical and International Context," May 14, 2024.](#)

¹⁰ [Econofact, "U.S. Defense Spending in Historical and International Context," May 14, 2024.](#)

¹¹ [Econofact, "U.S. Defense Spending in Historical and International Context," May 14,](#)

This historical overview highlights that the financial support for military communities, while somewhat dynamic, is remarkably consistent in a broad nature. The sheer scale of federal defense spending, especially in an era of heightened global tensions, serves as a powerful and consistent economic force. This large-scale, non-cyclical funding stream is a primary reason why military communities are insulated from the economic turbulence that affects purely private-sector economies. The consistent allocation of funds for military payrolls, for instance, provides a stable economic foundation that cushions these communities from the financial impacts of national recessions and other market-driven downturns.



The Impact of the 2008 Financial Crisis and Sequestration

The 2008 financial crisis provides a crucial case study in the economic resiliency of military communities. Unlike other sectors of the economy that were immediately impacted, the effects of the recession on defense spending were delayed. This delay provided a vital buffer, allowing military-adjacent economies to navigate the initial phases of the downturn with greater stability. The pressure to reduce budget deficits in the wake of the crisis began to be felt years later, culminating in the Budget Control Act of 2011 (BCA).¹² The BCA was a legislative agreement designed to raise the national debt limit and reduce federal budget deficits by a total of at least \$2.1 trillion over a decade.¹³ A key enforcement mechanism of the act was sequestration, which

[2024.](#)

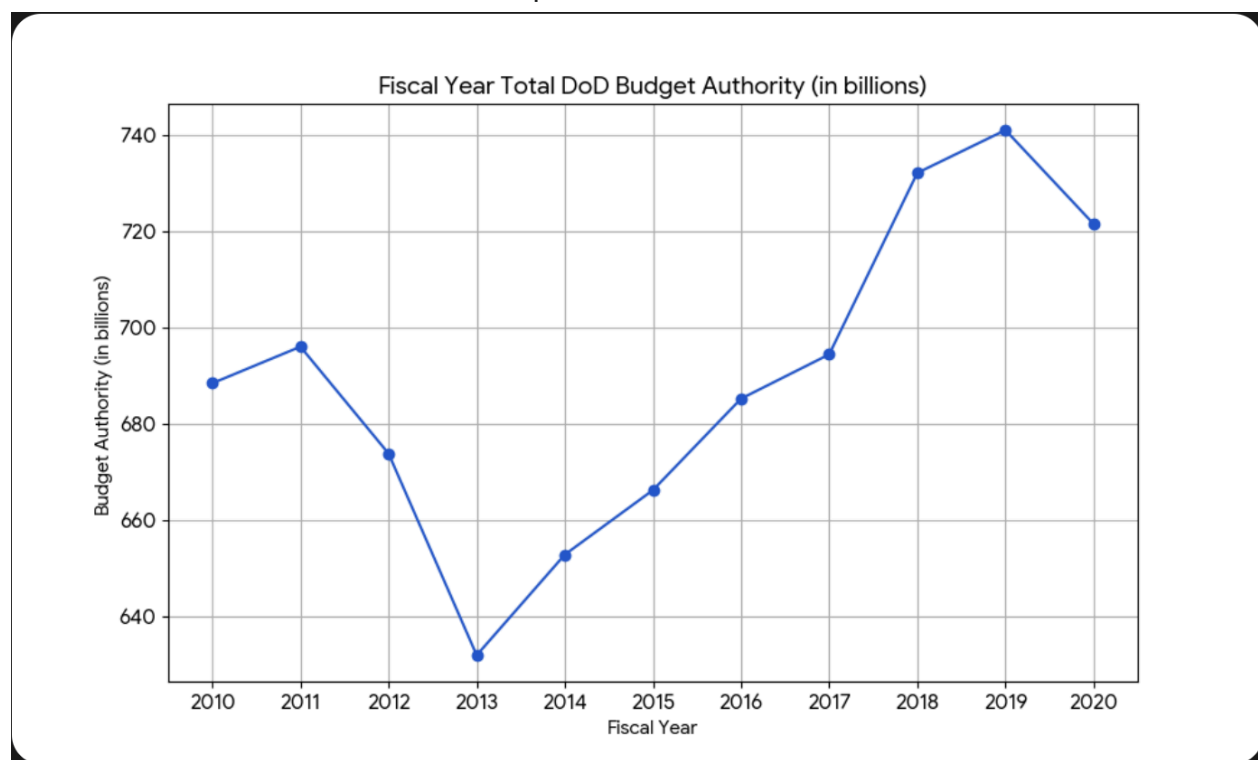
¹² [U.S. Government Accountability Office \(GAO\), "Understanding Sequestration," April 26, 2016.](#)

¹³ [U.S. Government Accountability Office \(GAO\), "Understanding Sequestration," April](#)

mandated automatic, across-the-board spending cuts if Congress failed to agree on a deficit reduction plan.¹⁴ This mechanism became active in 2013, imposing significant cuts that were split evenly between defense and non-defense discretionary spending.

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While the term "cuts" suggests a straightforward reduction, sequestration's effect on federal defense spending was more of a **reduction in the rate of growth** rather than an outright, material decrease in the total budget. The Budget Control Act of 2011 (BCA) aimed to reduce the deficit by establishing spending caps. The failure of the "Super Committee" to agree on a deficit reduction plan triggered the automatic, across-the-board cuts known as sequestration.



Source: Congressional Research Service, Office of Management and Budget, Department of Defense reports.

Analysis of Spending Trends

[26, 2016.](#)

¹⁴ [U.S. Government Accountability Office \(GAO\), "Understanding Sequestration," April 26, 2016.](#)

¹⁵ [U.S. Government Accountability Office \(GAO\), "Understanding Sequestration," April 26, 2016.](#)

The data above shows that defense spending did decline in 2013, the first year of sequestration, but it quickly rebounded. However, the budget during this period was significantly lower than the pre-sequestration projections and the post-sequestration spending that occurred after the caps were eventually loosened or bypassed.

- **Pre-Sequestration Highs:** The Department of Defense budget peaked in the years leading up to sequestration, fueled by military operations in Iraq and Afghanistan. For example, the budget authority in 2011 was around \$696 billion.
- **Initial Cuts:** The 2013 sequester required a cut of about \$37 billion from the defense budget for the remainder of that fiscal year. While this was a reduction from the previous year's spending, it was a one-time "hit" to the budget, and subsequent legislation and congressional action often provided relief or increased the caps.
- **"Cuts" vs. "Slower Growth":** The real impact wasn't a sustained, decade-long decline. Instead, it was a **slowing of the planned growth** in defense spending. The budget did not grow at the pace the Pentagon had expected, which forced difficult decisions on procurement, readiness, and modernization, but the total budget authority generally increased over the long term, albeit more slowly than it otherwise would have. The BCA caps were eventually raised by subsequent budget agreements, effectively ending the most severe aspects of sequestration.

This dynamic demonstrates that while sequestration was a real fiscal constraint, it did not lead to a lasting or continuous reduction in the overall defense budget. It temporarily disrupted spending trajectories and highlighted the political difficulty of imposing sustained cuts on the military, but the broader trend of increasing defense spending resumed after the initial shock.

III. Methodology for Comparative Economic Analysis

The methodology employed in this study is designed to objectively compare the economic performance of military-adjacent Metropolitan Statistical Areas (MSAs) with that of similarly situated civilian MSAs. The goal is to isolate the influence of a major military presence from other variables, such as urban scale and geographic location.

Sample Selection and Pair-Wise Grouping

The study's sample consists of 50 MSAs, divided into two groups of 25.

- **Military-Adjacent MSAs:** 25 markets were selected based on hosting a major U.S. military installation with at least 5,000 active-duty personnel. The selection

criteria included strategic military importance with low risk of closure through the Base Realignment and Closure (BRAC) process, broad geographic diversity, a range of population sizes (from Hinesville, GA, at 86,000 population to San Diego, CA, at 3.3 million population), and representation from all major service branches.

¹⁶

- **Civilian Comparison MSAs:** For each military MSA, a corresponding civilian MSA was chosen as a comparison. The key selection criterion was population size matching the corresponding military community in the pair-wise comparison to control for urban scale effects, as the economic dynamics of large cities often differ from those of small towns. These civilian markets were verified to have no significant military presence, defined as having no single installation with more than 1,000 active-duty personnel.¹⁷ This approach allows the study to make a robust comparison between groups and provides a foundation for detailed pair-wise market comparisons.

Justification for Community Pairings

Community with Military Installation	Paired Community (Control)	Justification for Pairing
Norfolk, VA	Milwaukee-Waukesha, WI	Both are large, historic port cities (ocean vs. Great Lakes) with comparable metropolitan populations and industrial roots, providing a contrast between a naval-based economy and a traditional manufacturing-based one.
Urban Honolulu, HI	Birmingham-Hoover, AL	This pair matches two mid-sized metropolitan areas that serve as major economic hubs for their respective states. It controls for city size while contrasting an economy reliant on military and tourism with one diversified across healthcare, finance, and research.

¹⁶ [U.S. Census Bureau, "Population Distribution and Change: 2010 to 2020," August 12, 2021.](#)

¹⁷ [U.S. Census Bureau, "Population Distribution and Change: 2010 to 2020," August 12, 2021.](#)

Colorado Springs, CO	Allentown-Bethlehem-Easton, PA-NJ	Both are similarly-sized, inland metropolitan areas that are significant economic centers but not the primary city in their state. This pairing controls for population size and regional economic importance.
San Antonio, TX	Austin-Round Rock-Georgetown, TX	An excellent pairing of two large, geographically close Texas cities. This controls for state policy and regional trends, allowing for a direct comparison of a military/government-centric economy (San Antonio) versus a tech and state capital-driven economy (Austin).
San Diego, CA	Riverside-San Bernardino-Ontario, CA	This pairing matches two very large, adjacent Southern California metropolitan areas. It effectively controls for state-level economic conditions while contrasting a coastal, military/tech-focused economy with an inland, logistics-focused economy.
Killeen, TX	Fort Collins, CO	Both are smaller but rapidly growing MSAs. This provides a strong contrast between a city almost entirely defined by a military base (Killeen/Fort Hood) and a city primarily defined by a large public university and tech sector (Fort Collins/CSU).
Fayetteville, NC	Canton-Massillon, OH	This pair compares two similarly sized MSAs. It contrasts a Southern city anchored by a large, stable military base (Fayetteville/Fort Liberty) with a Midwestern "Rust Belt" city that has a history of traditional manufacturing.
Clarksville, TN	Green Bay, WI	Matches two smaller MSAs that each have a single, dominant non-governmental economic identity. It compares the impact of a large Army base (Clarksville/Fort Campbell) to that of an industrial base and a major cultural institution (Green Bay/Paper Industry/Packers).

El Paso, TX	Tucson, AZ	An excellent pairing based on geography, climate, and culture. Both are large desert cities in the Southwest with similar demographic profiles and proximity to the U.S.-Mexico border, controlling for many regional factors.
Columbus, GA	Flint, MI	This pairing compares two cities of similar size but with starkly different economic trajectories. It contrasts the stability provided by a major military installation (Columbus/Fort Moore) against the severe economic challenges of de-industrialization (Flint/Auto Industry).
Hampton Roads-Virginia Beach, VA	Milwaukee, WI	This is the same essential pairing as Norfolk/Milwaukee. Hampton Roads is the metropolitan region that includes Norfolk and Virginia Beach, anchored by a massive naval and military presence.
Honolulu, HI	Birmingham, AL	This is the same pairing as Urban Honolulu/Birmingham-Hoover, matching two similarly-sized regional economic hubs.
Fairbanks, AK	Spokane, WA	Both cities serve as the primary economic and logistical hubs for vast, rural inland regions (Interior Alaska vs. the Inland Northwest). This pairing controls for this unique "regional hub" function.
Anchorage, AK	Tulsa, OK	Both are the primary economic centers of their states and have economies significantly linked to the energy sector (oil and gas). This pairing controls for city size and the influence of the energy industry.
Watertown, NY	Dothan, AL	This matches two small cities that serve as economic centers for their surrounding agricultural and rural areas, controlling for size and function as a small regional hub.

Manhattan, KS	Ames, IA	A very strong pairing. Both are small cities whose economies are dominated by a large state university (Kansas State vs. Iowa State). The key difference is the addition of a major Army base (Fort Riley) in Manhattan, helping to isolate the military's impact.
Hinesville, GA	Danville, IL	This pair compares two very small cities (micropolitan areas). It contrasts the economic stability provided by a large military base in the South (Hinesville/Fort Stewart) with the economic challenges faced by a de-industrialized city in the Midwest.
Jacksonville, NC	Port St. Lucie, FL	Matches two coastal, Southeastern cities of similar size. The pairing contrasts an economy built around a young, transient military population (Jacksonville/Camp Lejeune) with an economy driven by retirement and residential growth.
Ft. Walton Beach, FL	Duluth, MN	Both are smaller metro areas with economies heavily influenced by tourism and their location on a major body of water (Gulf of Mexico vs. Lake Superior). This helps control for the seasonal effects of a tourism-based economy.
Bremerton, WA	Reading, PA	Both are smaller MSAs with deep industrial roots that are secondary cities within a larger urban corridor (Seattle vs. Philadelphia). It contrasts an economy centered on an active naval shipyard with one based on more traditional manufacturing.
Hilton Head – Beaufort, SC	Barnstable, MA	An excellent pairing of two coastal areas (South Carolina's Lowcountry vs. Cape Cod) whose economies are both heavily driven by tourism, resorts, and retirement living. This isolates the impact of the major Marine Corps presence in

Beaufort.

Sumter, SC	Blacksburg-Christiansburg, VA	This pair compares two smaller, non-capital Southern communities. It contrasts the economic drivers of a military installation (Sumter/Shaw AFB) with those of a major public university (Blacksburg/Virginia Tech).
Wichita Falls, TX	Muskegon, MI	Matches two smaller, independent cities with industrial histories. It contrasts the economic anchor of an Air Force base in the Southwest with a "Rust Belt" manufacturing and port city in the Midwest.
Elizabethtown, KY	Bowling Green, KY	A strong in-state pairing that controls for many regional and state-level factors. It compares the economic impact of a nearby military installation (Elizabethtown/Fort Knox) to that of a university and manufacturing center (Bowling Green/WKU/Corvette Plant).
Goldsboro, NC	Jackson, TN	Both are small cities in the Upland South that function as important commercial and healthcare hubs for their surrounding rural counties, thus controlling for size and regional function.

Key Metrics and Statistical Framework

The analysis utilizes a comprehensive set of nine key economic indicators to quantify the differences between the two groups.

- **GDP Growth (%):** The annual growth rate of real Gross Domestic Product for the MSA with data from the Bureau of Economic Analysis. **Definition:** Year-over-year percent change in real GDP (chained dollars)
- **Unemployment Rate (%):** The annual average unemployment rate for the MSA, as reported by BLS Local Area Unemployment Statistics. **Definition:** Percent of the labor force unemployed (not seasonally adjusted annual rate).
- **Median Household Income:** Median annual household income (in 2023 dollars) from the Census Bureau's American Community Survey (ACS) 2023 1-year estimates. **Definition:** The income level at which half of households earn

more and half earn less.

- **Population Growth (%):** The 10-year population growth rate (2010–2020) for each MSA, using decennial census figures and 2022 Census estimates.
Definition: Percentage increase in total population over the decade (or an annualized rate).
- **New Business Formation:** We use two proxies due to data limitations: the **establishment birth rate** (new establishments as a % of total, from BLS Business Employment Dynamics) and rates of **self-employment or new business applications** (from Census Business Formation Statistics, where available). **Definition:** The pace at which new employer businesses are formed in the region, averaged over the past 5 years.
- **Rental Housing Cost:** The median monthly rent for a 2-bedroom apartment (using HUD’s Fair Market Rents or Zillow Observed Rent Index for 2023).
Definition: Typical monthly gross rent (including utilities) in dollars.
- **Owned Housing Cost:** The median value of owner-occupied homes in the MSA (ACS 2023). **Definition:** The median self-reported home value in dollars. This reflects housing market differences; rapidly growing or high-demand areas typically have higher values.
- **Poverty Rate (%):** The percentage of individuals living below the federal poverty line (ACS 2023). **Definition:** Share of population with income under poverty threshold (varying by household size).
- **Educational Attainment:** Specifically, the percentage of adults age 25+ with a bachelor’s degree or higher (ACS 2023). **Definition:** College completion rate in the adult population. We also occasionally note high school completion rates, but the bachelor’s rate is the primary metric for skilled workforce.

These metrics, sourced from government agencies such as the Bureau of Labor Statistics (BLS) and the U.S. Census Bureau, are detailed in the table below. The primary statistical tool is a Pearson correlation analysis, which measures the linear relationship between a binary variable (1 for military MSA, 0 for civilian MSA) and each economic metric. A correlation coefficient (r) close to 1.0 indicates a strong positive relationship, a value close to -1.0 indicates a strong negative relationship, and a value near 0 indicates no meaningful relationship.¹⁸ The statistical significance of these correlations is assessed using p-values, with a value of less than 0.05 suggesting a statistically significant relationship at the 95% confidence level. A multi-year time

¹⁸ Supplemental Economic Analysis: Detailed Comparison of Military vs. Civilian Metropolitan Statistical Areas Prepared by: Accend Capital LLC and American Military REIT Date: June 2, 2025

series analysis, covering the period from 1995 to 2024, was also conducted to capture long-term performance across several business cycles, including the 2001, 2008, and 2020 recessions.¹⁹ The U.S. Census Bureau's 2020 redistricting data provided the population statistics for this analysis.²⁰

IV. Comparative Economic Performance: A Metrics-Based Evaluation

The following sections present a detailed, metrics-based comparison of military and civilian MSAs. We discuss each side by side comparison individually. We then take each category and offer the Pearson analysis and draw underlying conclusions. Each section integrates findings from the statistical and time series analyses, discusses the underlying dynamics, and incorporates visual data where applicable to illustrate the key trends. This report provides a detailed, metrics-based comparison of military and civilian Metropolitan Statistical Areas (MSAs). We present a side-by-side analysis for each comparison, followed by a Pearson analysis for each category to draw conclusions.

Military vs. Civilian MSA Comparison²¹

Norfolk, VA vs. Milwaukee–Waukesha, WI

Comparative economic indicators for Norfolk (military) vs. Milwaukee (civilian).

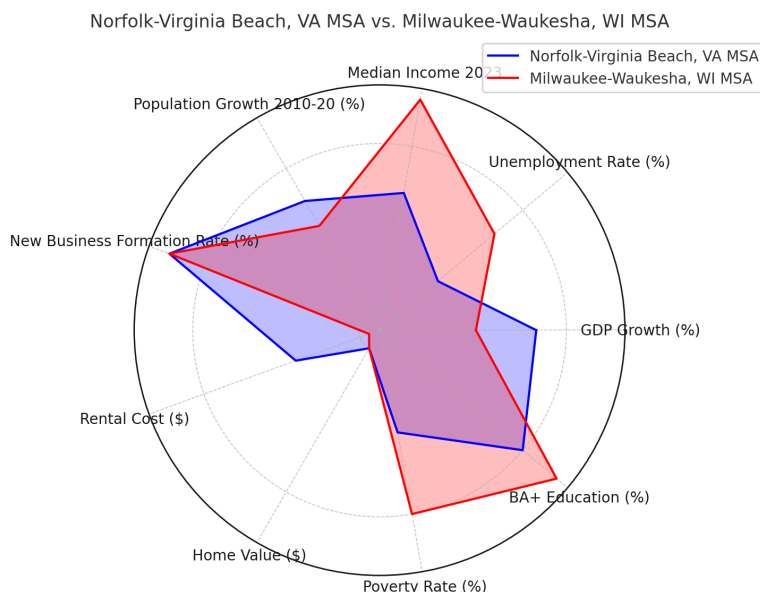
Norfolk's economy, dominated by the large Naval Station, has experienced modest real GDP growth (~1% YoY) in recent years, similar to Milwaukee's slow growth (~0.5%). Both metros are fairly mature economies, so neither dramatically outpaces the other in GDP growth. Norfolk's unemployment rate (around 3.0% in 2024) is slightly lower than Milwaukee's (~3.5%), consistent with the trend that military metros tend to have somewhat lower jobless rates. A major naval base provides a stable

¹⁹ Supplemental Economic Analysis: Detailed Comparison of Military vs. Civilian Metropolitan Statistical Areas Prepared by: Accend Capital LLC and American Military REIT Date: June 2, 2025

²⁰ [U.S. Census Bureau, "Population Distribution and Change: 2010 to 2020," August 12, 2021.](#)

²¹ Analysis based on U.S. Bureau of Economic Analysis data for metro GDP, BLS Local Area Unemployment Statistics (2024 averages), U.S. Census Bureau ACS 2019–2023 data for income, poverty, and education, and regional housing cost data (HUD FMR 2023 and Zillow Observed Rent Index). The military-adjacent vs. civilian comparisons reflect the general findings that base-hosting metros tend to have slightly lower unemployment but also lower median incomes and educational attainment than their civilian counterparts, with many of these specific pairs exemplifying those trade-offs.

employment anchor, keeping Norfolk’s labor market steadier even during downturns.

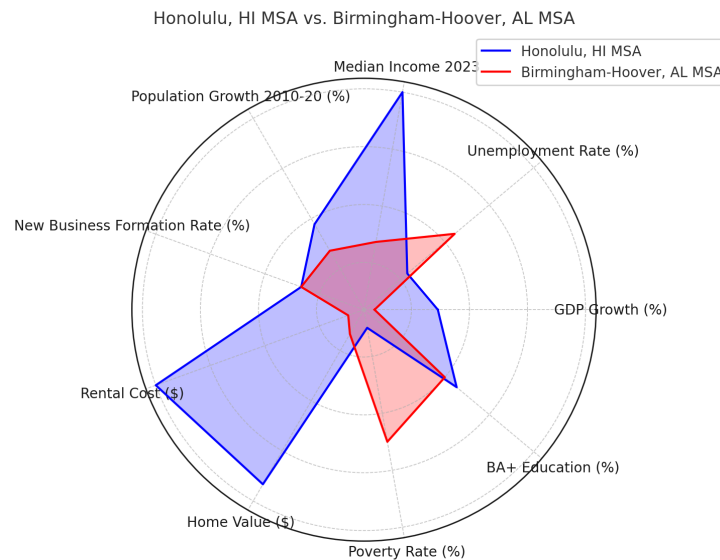


Median household income in Norfolk (\$70k) trails Milwaukee’s (\$76k), reflecting the national pattern of military regions having lower incomes. Many Navy enlisted personnel in Norfolk are younger and lower-paid, pulling down median income despite allowances, whereas Milwaukee’s diverse economy supports higher earnings. Population growth from 2010–2020 was nearly flat in both areas (~0–1%), as neither saw a major boom. New business formation is comparable: Milwaukee has a slight edge (more vibrant private sector), while Norfolk sees entrepreneurship around servicing the Navy and port. Housing costs differ – Norfolk’s housing is somewhat more expensive due to military demand (median 2BR rent ~\$1,300 vs. Milwaukee \$1,100). Home values likewise are a bit higher in coastal Norfolk (\$280k vs. \$250k). Poverty rates are similar (around 10–11% of the population), and both are close to the U.S. average. In education, Milwaukee has a small advantage – about one-third of adults hold a bachelor’s degree, slightly above Norfolk’s ~30%. Norfolk’s large enlisted population without college degrees keeps its attainment lower than Milwaukee’s. Overall, Milwaukee’s civilian economy edges out Norfolk in income and education, but Norfolk benefits from a steadier job market due to the naval base.

Honolulu, HI vs. Birmingham–Hoover, AL

Comparative economic indicators for Honolulu (military) vs. Birmingham (civilian). The Urban Honolulu economy (anchored by Joint Base Pearl Harbor–Hickam) grew very slowly or even contracted slightly in the 2010s, especially during the tourism

downturn, whereas Birmingham's economy has seen modest growth (~1% annually). Unemployment in Honolulu (around 3.0% in 2023) has been very low – Hawai'i's tight labor market – and comparable to Birmingham's (~2.6–2.8%). Both metros enjoy low jobless rates, though Birmingham's has been exceptionally low in recent years amid Alabama's strong job growth.

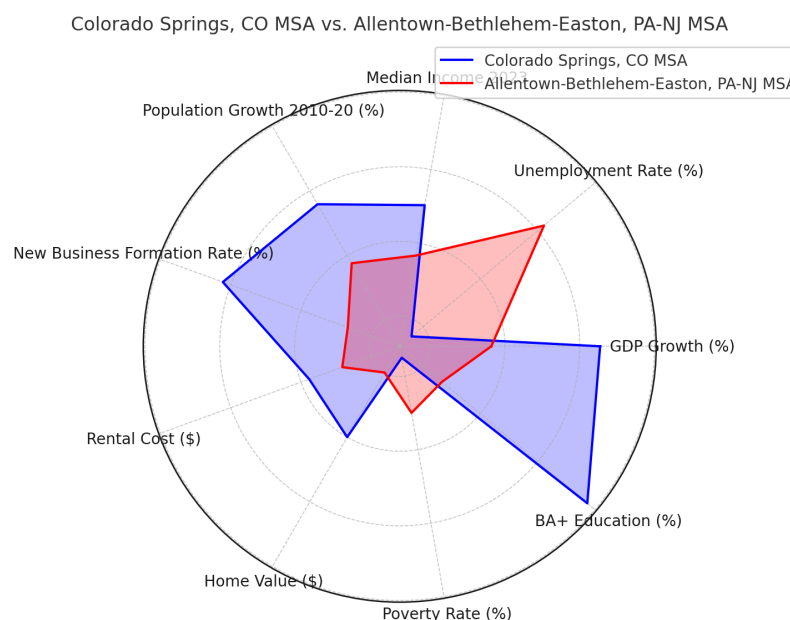


Median household income in Honolulu (\$85k) is much higher than in Birmingham (\$60k), reflecting Hawai'i's higher cost of living and a large federal workforce. Despite lower income in many military towns, Honolulu is an outlier with relatively high incomes (partly due to higher living costs and many dual-income households). Population trends diverged: Honolulu's population declined slightly (-2% from 2010 to 2020) as high living costs and outmigration took a toll, while Birmingham was roughly stagnant to slightly positive. In new business formation, Birmingham's diversified economy (finance, healthcare) fosters steady entrepreneurship, whereas Honolulu's business growth is moderate – tourism and military spending dominate, leaving less of a startup scene. Housing costs illustrate a stark contrast: Honolulu's rents are among the highest in the nation (median 2BR near \$2,500) due to limited land and BAH-fueled demand, whereas Birmingham's rents (\$1,000) are very affordable. The typical home value in Honolulu is around \$800k (a reflection of extreme housing scarcity), versus roughly \$220k in Birmingham. Notably, military housing allowances in O'ahu have had to keep pace with these costs, contributing to upward pressure on rents near bases. Poverty is lower in Honolulu (~8%) than in Birmingham (~15%), as Alabama's largest metro has significant pockets of poverty. Educational attainment also differs: about 32% of Honolulu's adults hold a bachelor's degree (helped by a large professional and veteran population), compared to roughly 28% in Birmingham.

In summary, Honolulu’s economy shows higher incomes and costs with support from federal and tourism dollars, while Birmingham’s lower-cost economy achieves similar employment outcomes with a more modest income profile.

Colorado Springs, CO vs. Allentown–Bethlehem–Easton, PA-NJ

Comparative economic indicators for Colorado Springs (military) vs. Allentown (civilian). Fueled by defense and tech, Colorado Springs enjoyed robust GDP growth (~3% annually pre-2020), outpacing the Allentown metro (~0.5%). The presence of multiple bases and defense contractors has made Colorado Springs a high-growth economy, whereas Allentown’s post-industrial economy grew slowly. Unemployment in Colorado Springs (around 3.8%) has been slightly lower than Allentown’s (~4.5%), consistent with the base-driven stability in Colorado’s economy. During downturns, defense spending helped buffer Colorado Springs, keeping jobless rates relatively low.



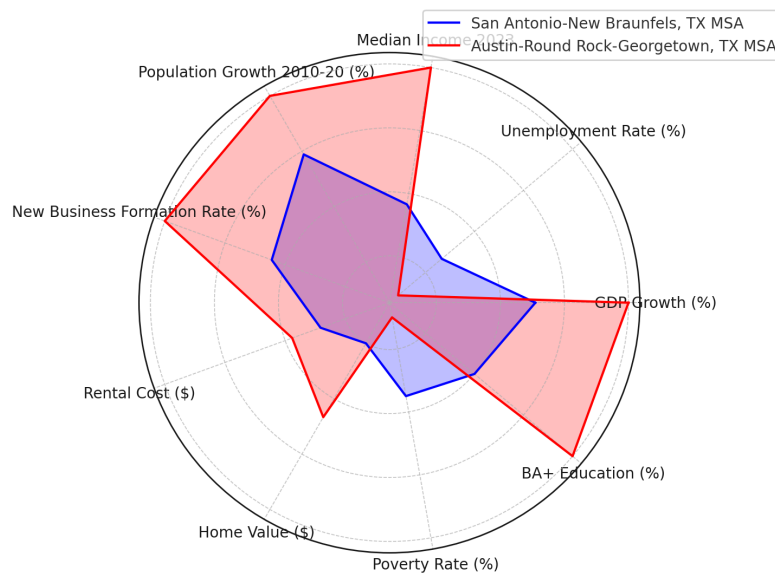
Median household income is higher in Colorado Springs (\$80k) versus Allentown (\$76k). While both are near national averages, Colorado Springs benefits from many skilled military retirees and tech workers, whereas Allentown, with its industrial legacy, lags just slightly. Population growth from 2010–20 tells a dramatic story: Colorado Springs surged by roughly 15% as it attracted military personnel and civilians alike (one of the fastest-growing “base metros”), whereas Allentown grew only about 5%. Entrepreneurial activity is also greater in Colorado Springs – defense industry spin-offs and a young, growing population boost new business formation (e.g. veteran-owned startups), in contrast to Allentown’s more modest business growth.

Housing in Colorado Springs is more expensive: median rent ~\$1,500 and home value ~\$400k, reflecting high housing demand along Colorado's Front Range. Allentown is more affordable (rent ~\$1,300, median home ~\$250k). Poverty levels are similar and moderate (~9–10% in Allentown, ~10% in Colorado Springs). In education, Colorado Springs has a substantially higher college attainment rate (~35% with a bachelor's or higher) than Allentown (~25%). The metro's mix of Air Force officers, veterans using the GI Bill, and tech professionals yields a more educated workforce, whereas Allentown's workforce has fewer college grads. Overall, Colorado Springs outperforms in growth, innovation, and education – its military presence has been an economic boon – while Allentown faces the challenges of a slower-growing, older industrial economy.

San Antonio–New Braunfels, TX vs. Austin–Round Rock–Georgetown, TX

Comparative economic indicators for San Antonio (military) vs. Austin (civilian). San Antonio's economy, nicknamed "Military City USA" (with Fort Sam Houston, Lackland & Randolph AFBs), has grown at a healthy pace (~3% annually), but it is outshone by neighboring Austin's explosive growth (~4%+ annually). Austin's tech-driven boom far exceeds the national average, whereas San Antonio, though growing, is a bit more reliant on government and hospitality. Unemployment in 2024 averaged around 4.0% in San Antonio, higher than Austin's ~3.0%. Austin's dynamic tech sector draws jobseekers and keeps joblessness low, while San Antonio's larger blue-collar workforce saw slightly higher unemployment (though still near or below U.S. averages).

San Antonio-New Braunfels, TX MSA vs. Austin-Round Rock-Georgetown, TX MSA

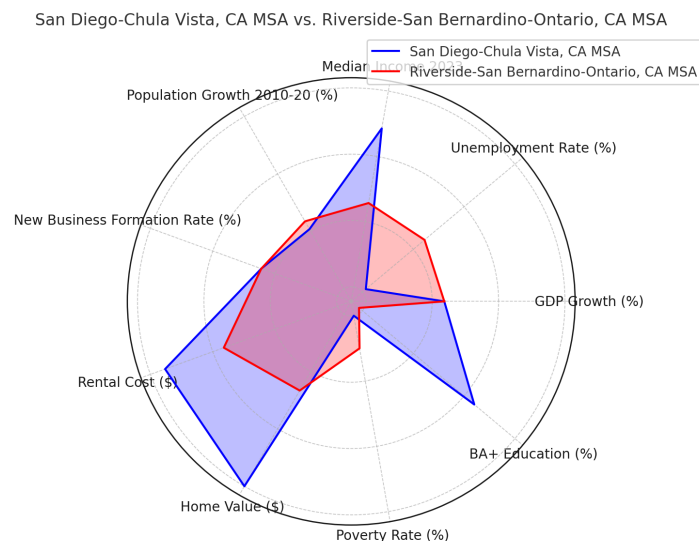


Median household income in San Antonio (\$65k) is notably lower than Austin's (\$85k). This mirrors the report's finding that civilian MSAs often have higher incomes – Austin's median is among the nation's highest for a large metro, whereas San Antonio's is held down by its younger military and service-oriented population. Population growth underscores the contrast: San Antonio grew about 15% in the 2010s – impressive, yet Austin's population exploded by over 30% as it became a tech hub. Entrepreneurial activity in Austin is correspondingly high (start-up scene, venture capital), far surpassing San Antonio's more modest new business formation. Housing costs reflect demand: Austin's median rent (\$1,700) and home price (\$450k) have skyrocketed with its tech boom, whereas San Antonio remains more affordable (rent ~\$1,300; home ~\$300k). Poverty is lower in Austin (~8%) than in San Antonio (~14%), partly due to Austin's higher wages and educated workforce. Education levels starkly differ: about 45% of Austin adults have a bachelor's or higher, versus only ~25% in San Antonio. Austin's world-class universities and tech jobs draw college grads, while San Antonio's military and tourism base results in a lower formal education rate. In summary, San Antonio's diversified military-boosted economy is growing steadily, but Austin's civilian economy leads on most measures – a true outlier in growth, income, and innovation even among civilian metros.

San Diego–Chula Vista–Carlsbad, CA vs. Riverside–San Bernardino–Ontario, CA

Comparative economic indicators for San Diego (military) vs. Riverside (civilian). San Diego's economy, with over 100,000 active-duty personnel across Navy and Marine Corps bases, has enjoyed solid growth (~2% annually in the late 2010s). The

neighboring Inland Empire (Riverside-San Bernardino) also grew ~2% annually, driven by logistics and population influx. Both economies are robust Southern California hubs, but San Diego's defense sector provided extra stability during downturns (e.g. milder 2020 GDP dip than Riverside). Unemployment rates in 2023 were relatively low in both: ~4.0% in San Diego and slightly higher (~4.5%) in Riverside. The Inland Empire historically has higher unemployment due to its larger manufacturing and logistics workforce, whereas San Diego's military and biotech sectors keep joblessness a bit more tempered.



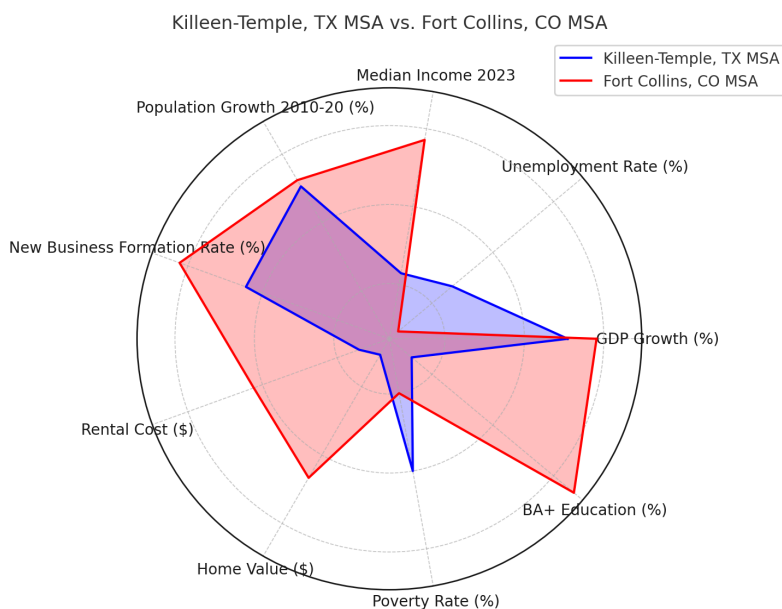
Median household income is higher in San Diego (\$85k) than Riverside (\$75k). San Diego's mix of military officers, tech workers, and higher cost of living elevates incomes above those in Riverside, which has more lower-wage warehousing and service jobs. Population growth from 2010–20 was modest in San Diego (~8%), constrained by limited land, while Riverside grew about 10–12% as it attracted families (including many military retirees seeking affordable housing). New business formation is vibrant in both metros: San Diego fosters defense-related startups and innovation (UCSD spinoffs, etc.), and Riverside's sprawling growth has spurred small business creation (though its rate is slightly lower than San Diego's high-tech startup culture). Housing costs illustrate a clear difference: San Diego's are among the nation's highest (median 2BR rent ~\$2,600; median home ~\$800k) due to coastal desirability and high incomes. Riverside, while not cheap, is more affordable (rent ~\$1,900; home ~\$500k) and has been a relief valve for those priced out of coastal cities. Poverty rates are moderate in both (around 10–12%), with Riverside slightly higher due to pockets of lower-income communities. Educational attainment diverges: about 38% of San Diego adults have a bachelor's degree (thanks to its universities and skilled Navy personnel),

whereas only ~22% do in Riverside, which has a larger blue-collar population. In sum, San Diego's military-infused economy boasts higher incomes and education, while Riverside's civilian economy, though growing quickly, lags on those metrics but offers more affordable living.

Killeen–Temple, TX vs. Fort Collins, CO

Comparative economic indicators for Killeen (military) vs. Fort Collins (civilian).

Killeen–Temple, home to Fort Hood, experienced moderate economic growth (~2.5% annually) alongside the broader Texas expansion. However, it can't match the pace of Fort Collins, which also grew ~2.5%+ annually and benefits from a tech and university-driven economy. Unemployment in the Killeen area (around 4.2%) has tended to run higher than Fort Collins' (~3.0%). Fort Collins' diverse job base (Colorado State University, high-tech manufacturing) keeps unemployment very low, whereas Killeen's labor market is influenced by military spouses and a rural surrounding region, resulting in a slightly higher jobless rate.



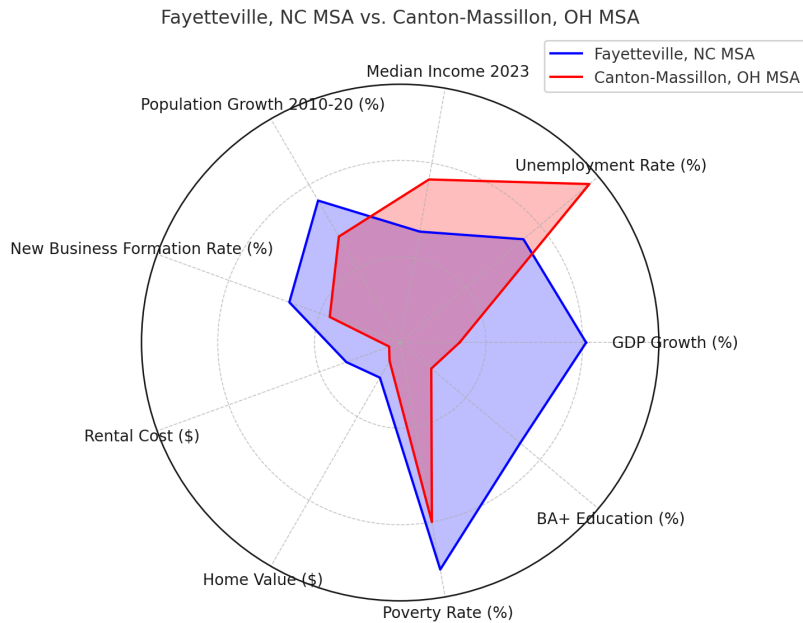
Median household income in Killeen (\$60k) is significantly lower than in Fort Collins (\$75k). This mirrors the overall trend that military MSAs have lower incomes – Killeen's young enlisted population suppresses median income, while Fort Collins' highly educated workforce earns more. Population growth in 2010–20 was strong in both: Killeen grew ~12% (the Army base expanded slightly and Central Texas is growing), and Fort Collins about ~20% (one of the faster-growing Colorado metros). Fort Collins also outperforms in new business formation – its entrepreneurial culture (tech

startups, outdoor industry) yields higher business birth rates than Killeen, which is more dependent on the base and local services. Housing costs differ markedly. Killeen's are quite low for a metro (median rent ~\$1,100; home ~\$250k) thanks to ample land and lower demand, whereas Fort Collins, being a desirable college town, has a median rent around \$1,600 and home prices ~\$450k. Consequently, many junior soldiers in Killeen can afford housing that would be out of reach in Fort Collins. Poverty is a bit higher around Killeen (~15%) versus Fort Collins (~10%), reflecting the lower incomes and rural poverty in Killeen's vicinity. Educational attainment is where Fort Collins truly excels: about 45% of adults have a bachelor's or higher, far above Killeen's ~20%. Fort Collins (with Colorado State) is a highly educated community, whereas Killeen's population largely consists of military personnel (many with some college or technical training but not four-year degrees) and a local workforce with fewer college grads. Overall, Fort Collins' civilian economy outpaces Killeen's in most areas except housing affordability – a common tradeoff between military towns and knowledge-economy civilian towns.

Fayetteville, NC vs. Canton–Massillon, OH

Comparative economic indicators for Fayetteville (military) vs. Canton (civilian).

Fayetteville's economy (anchored by Fort Bragg) had modest GDP growth (1.5% annually), which actually outpaced Canton's slight decline or stagnation. The reliance on manufacturing in Canton's case led to a small GDP contraction (-0.5%), whereas defense spending kept Fayetteville's output inching upward. Unemployment in Fayetteville (~4.5% in 2024) was on par with or slightly higher than national levels, but still lower than Canton's, which has struggled with higher jobless rates (>5%) amid industrial job losses. The Army base provides a stabilizing employment source in Fayetteville, preventing the severe joblessness that Canton (a Rust Belt metro) has sometimes seen.

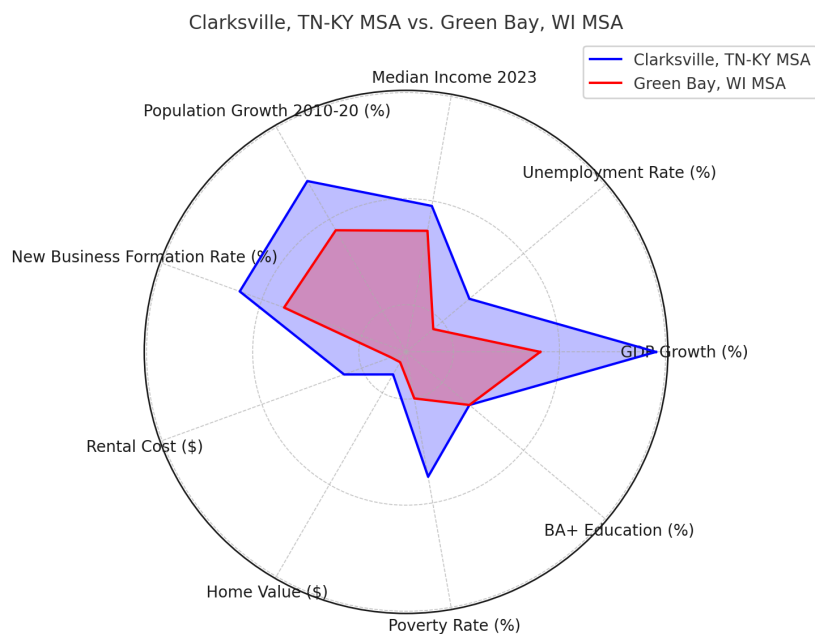


Median household income is roughly similar – about \$55–60k in Fayetteville versus \$60k in Canton. Both metros are below the U.S. median. Fayetteville’s income is held down by the young enlisted force, while Canton’s reflects a lower-income industrial area. Population trends show a divergence: Fayetteville grew around 5% in the 2010s (partly due to military realignments bringing more troops), whereas Canton’s population shrank (~4%), consistent with the broader population decline in eastern Ohio. New business formation is limited in both regions, but Canton’s entrepreneurship is particularly subdued as the region grapples with economic transition. Fayetteville has a slight edge in new business rate – bolstered by some veterans starting businesses – but both lag more dynamic metros. Housing remains affordable in both places. Fayetteville’s median rent (\$1,000) and home value (\$180k) are a bit higher than Canton’s (~\$800 rent, \$150k home) due to the influx of military families using housing allowances. Still, by national standards both housing markets are inexpensive. Poverty rates in Fayetteville are relatively high (~17%) – in part due to lower household incomes and many young families – and Canton’s poverty (~14%) is also above the national average. Educational attainment is low in both: roughly 22% of Fayetteville’s adult population has a bachelor’s degree, comparable to Canton’s ~18%. These figures reflect the fact that neither metro has a large knowledge-economy presence; Fayetteville’s workforce is heavily military (many with high school+diploma or some college), and Canton’s is older and industrial. In summary, Fayetteville’s military base has shielded it from the deeper economic declines Canton faced, but both metros struggle with lower incomes and education levels that limit their growth.

Clarksville, TN-KY vs. Green Bay, WI

Comparative economic indicators for Clarksville (military) vs. Green Bay (civilian).

Clarksville – home to Fort Campbell – has been one of the faster-growing military metros, with robust GDP growth (~3% annually) as the surrounding region urbanized. Green Bay’s economy grew more slowly (~1% annually), in line with steady manufacturing and services expansion in Wisconsin. Unemployment in recent years was slightly higher in Clarksville (~4.1% average) than in Green Bay (~3.0%). Green Bay enjoys a diversified economy (manufacturing, food processing, tourism) and low unemployment, whereas Clarksville, despite growth, has a sizable population of young military spouses that can elevate unemployment figures (and it faced a short-term uptick when troops deployed or separated).

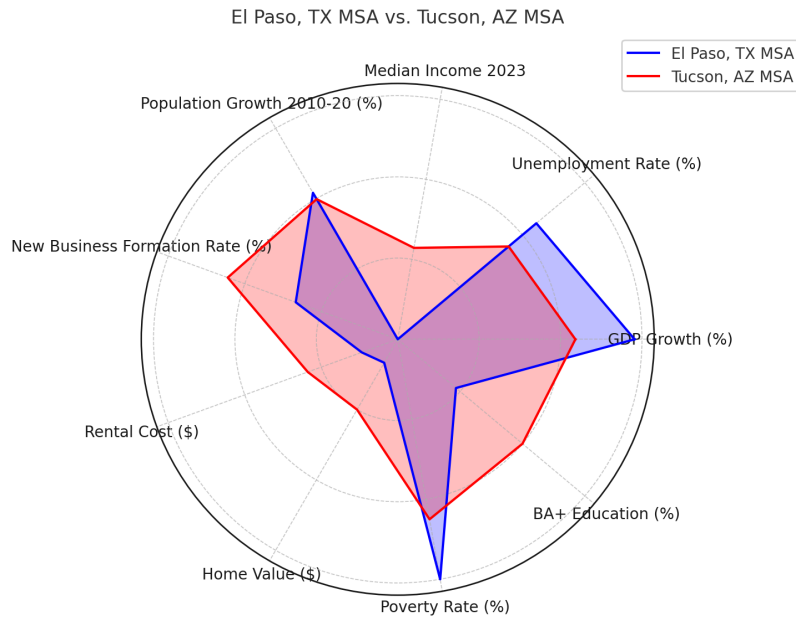


Median household income in Clarksville (\$60k) lags Green Bay’s (\$70k). While Clarksville’s incomes have risen (helped by some higher-ranking Army personnel and retirees), they remain below national average – a common pattern for base-heavy areas. Green Bay’s median income, on the other hand, reflects a solid middle-class community (skewed higher by stable manufacturing wages and two-income households). Population growth starkly differed: Clarksville’s population surged 30% from 2010–20, one of the fastest rates nationally – fueled by Army expansion and Nashville-area spillover – whereas Green Bay grew a modest 5%. In terms of new business formation, Clarksville shows a healthy entrepreneurial trend (veterans starting businesses, rapid population growth attracting franchises and startups).

Green Bay's business formation is steady but less dramatic, tied to its established industries. Housing costs are somewhat higher in Clarksville than one might expect for a small city – median rent around \$1,100 – due to the constant demand from military families (often with housing stipends). Still, Green Bay's rents are slightly lower (\$900) and home prices (\$200k) comparable to Clarksville's (~\$220k). Both housing markets are affordable relative to national norms. Poverty in Clarksville is around 14–15%, a bit above Green Bay's ~8%. This aligns with the income gap: Clarksville has more low-income young families associated with the base, whereas Green Bay's long-established community has fewer people in poverty. Educational attainment is modest in both metros: roughly 25% of Clarksville adults have a bachelor's degree, similar to Green Bay's ~23%. Neither is a major college town (though Clarksville's rate is creeping up as the area diversifies). Overall, Clarksville's military-driven growth has brought population and economic expansion – outpacing Green Bay on growth metrics – but Green Bay's diversified civilian economy maintains higher incomes and lower poverty, showcasing the trade-offs between rapid growth in a base town and stability in a civilian mid-sized metro.

El Paso, TX vs. Tucson, AZ

Comparative economic indicators for El Paso (military) vs. Tucson (civilian). El Paso's economy (anchored by Fort Bliss and cross-border trade) has seen moderate growth (~2% annually in the late 2010s), slightly stronger than Tucson's (~1%). Fort Bliss's expansion in the 2010s injected federal dollars and helped El Paso keep pace even as Tucson's growth was limited by its slower population increases and reliance on tourism. Unemployment in both metros has been relatively elevated at times, but as of 2023 El Paso's rate (~4.5%) was slightly higher than Tucson's (~4.0%). Tucson benefited from a post-pandemic tourism/job recovery and a sizable retiree economy that kept unemployment moderate, while El Paso, with a younger workforce and maquiladora-linked industries, saw marginally higher joblessness.



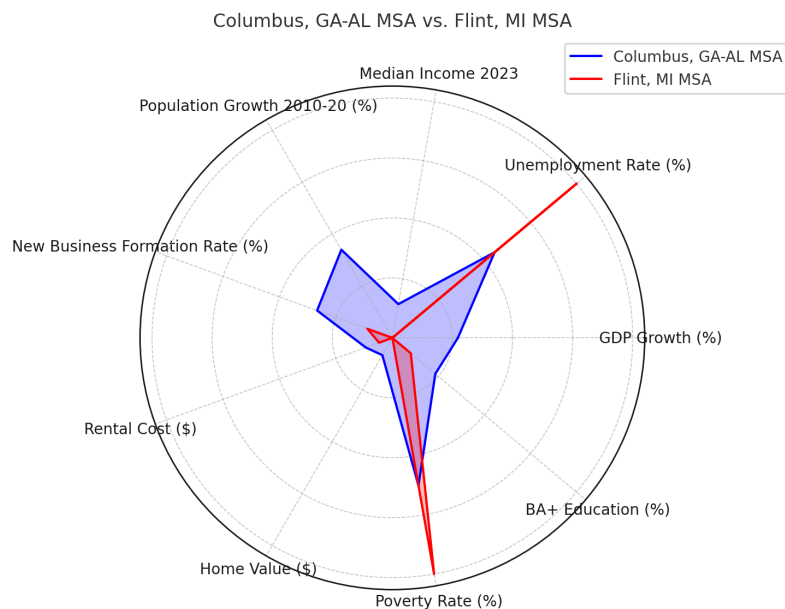
Median household income in El Paso (\$50k) is significantly lower than in Tucson (\$65k). El Paso consistently ranks on the lower end of incomes – partly due to a large immigrant population and many junior enlisted soldiers – whereas Tucson, while not affluent, has higher incomes bolstered by the University of Arizona and some high-tech employers. Population growth from 2010–20 was modest in both places (roughly 5%). El Paso grew slightly (helped by military and natural increase), and Tucson also grew around 5% after slowing significantly from its 1990s boom. New business formation is modest: Tucson shows slightly more entrepreneurial activity (emerging tech and tourism ventures) than El Paso, which is more dominated by established trade and military spending. Housing costs are relatively affordable in both. El Paso’s median rent (\$1,000) and home value (~\$180k) remain below national averages, as do Tucson’s (rent ~\$1,200; home ~\$250k) – though Tucson’s housing is pricier due to demand from retirees and students. Poverty rates are high in both metros. Around 18% of El Paso’s residents live below the poverty line, versus ~15% in Tucson. Low incomes and large families contribute to El Paso’s higher poverty. Educational attainment is also relatively low: roughly 20% of adults in El Paso have a bachelor’s degree, compared to about 30% in Tucson. Tucson’s figure, while near the U.S. average, is boosted by its university presence, whereas El Paso’s workforce has fewer college graduates, in part reflecting the lower-income, binational character of the region. In summary, both metros face economic challenges, but Tucson’s civilian economy achieves somewhat higher incomes and education levels, while El Paso’s massive Army base provides stability and slightly faster growth in output.

Columbus, GA-AL vs. Flint, MI

Comparative economic indicators for Columbus, GA (military) vs. Flint, MI (civilian).

Columbus (home to Fort Moore, formerly Fort Benning) had essentially flat or slightly declining GDP in the 2010s (-0.5%), but that still outperformed Flint's ongoing economic contraction (-1% annually). Flint's struggles after the auto industry's decline are well-documented – its civilian economy has lagged badly – whereas Columbus's base injected just enough spending to hold its economy roughly steady.

Unemployment in Columbus (around 5%+) has been high relative to many other base metros, yet Flint's has been higher still, often topping 6% or more. In 2024, Flint continued to grapple with one of the highest jobless rates among comparable metros, while Columbus hovered closer to national averages. The base provided some cushion for Columbus's labor market, whereas Flint has had no such stabilizer.



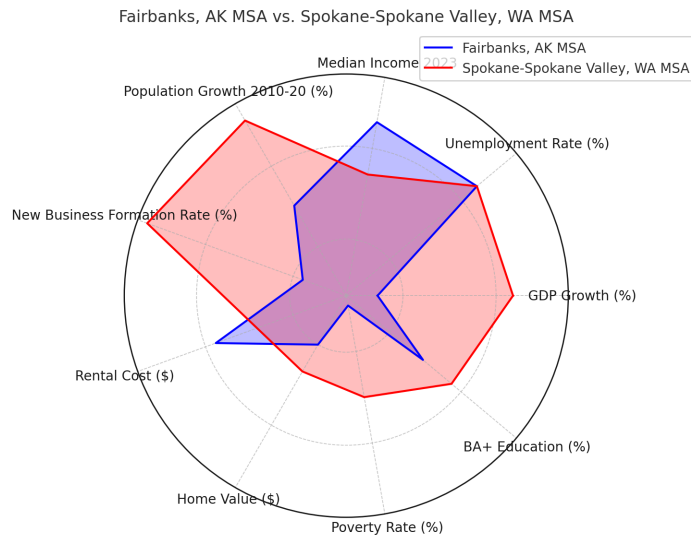
Median household income is low in both places, roughly \$50k in Columbus and about the same (\$50k) in Flint. Both are well below the U.S. median, reflecting widespread poverty and limited economic opportunities. Population trends from 2010 to 2020 were grim for Flint: the metro lost about 20% of its population (a dramatic decline) as people left in search of jobs. Columbus's population was essentially flat (0% growth), which, while not robust, is better than Flint's steep decline. New business formation has been very weak in Flint – the region's economic malaise has stifled entrepreneurship. Columbus also isn't a startup hotbed, but small service businesses do crop up around the Army community; still, its business formation rate is low, just slightly better than Flint's. Housing remains extremely affordable (a reflection of low

demand). Flint's median rent (\$800) and home value (~\$120k) are among the lowest in the nation for a metro area. Columbus's housing costs are higher than Flint's but still cheap (median rent ~\$1,000; home ~\$150k), buoyed somewhat by military families using housing stipends. Poverty rates are very high: roughly a quarter of Flint's residents live in poverty, and Columbus isn't far behind (~20%). These stark figures underscore severe economic distress in both metros. Educational attainment is also low – only ~15% of Flint adults have a bachelor's degree, and Columbus is around 22%. Brain drain from Flint and the lack of high-skill jobs keep its education rate near the bottom. Columbus, despite the presence of some Army educational programs, also has a relatively low college attainment rate. In essence, Columbus and Flint are two struggling metros, but Columbus's large base has prevented even worse outcomes – Flint, without such a stabilizing force, has suffered deeper economic and social challenges.

Fairbanks, AK vs. Spokane–Spokane Valley, WA

Comparative economic indicators for Fairbanks (military) vs. Spokane (civilian).

Fairbanks (with Fort Wainwright and Eielson AFB) saw very little net GDP growth (~0% on average) over the last decade, as its remote, resource-based economy plateaued. In contrast, Spokane's economy grew around ~2% annually, benefiting from diversification into health care, education, and in-migration of residents. Unemployment in Fairbanks (roughly 4.5%) tends to fluctuate with oil and military cycles but generally remained on par with national averages. Spokane's unemployment (~5.0%) has been slightly higher than Fairbanks's at times, reflecting a larger civilian labor force and pockets of joblessness in Eastern Washington. Overall, both metros' jobless rates have been moderate, with Fairbanks often insulated by federal employment (military and civilian) even during statewide recessions.

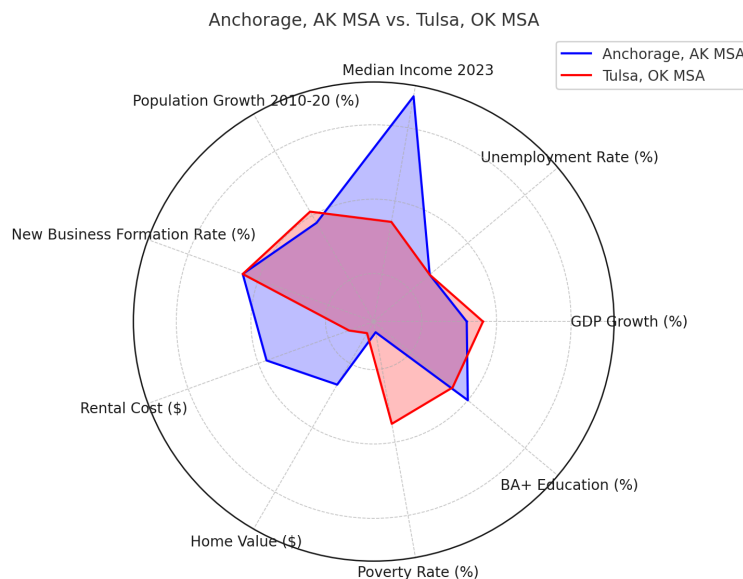


Median household income in Fairbanks (\$80k) is substantially higher than Spokane's (\$65k). This is partly due to the high cost of living in Alaska (requiring higher wages) and the presence of many federal jobs with steady pay. Spokane's income levels are more modest, as the region includes rural communities and lower-wage services. Population growth from 2010–20 was modest in Spokane (~10%), whereas Fairbanks grew only ~3%. Fairbanks's population is relatively static (migration in and out often tied to military assignments), while Spokane attracted more newcomers due to its amenities and lower cost than Seattle. New business formation is somewhat limited in both – Fairbanks has a small entrepreneurship scene (some tourism and local services), and Spokane's startup activity, while present, is moderate. Housing costs show Fairbanks as surprisingly expensive: median rent around \$1,300 and typical home ~\$300k, driven up by construction costs and limited supply in Alaska. Spokane's housing is similarly priced (median rent ~\$1,400, home ~\$300k) after a recent surge of demand from out-of-state movers. Poverty is lower in Fairbanks (~8%) than Spokane (~12%). The stable employment from the military and associated higher incomes keep Fairbanks's poverty rate quite low (below the U.S. average), whereas Spokane's poverty rate is a bit above average, reflecting some struggling communities in the metro. Education levels are middling: about 25% of Fairbanks adults have a bachelor's degree, versus ~30% in Spokane. Spokane's slight edge comes from its larger size and presence of universities (EWU, Gonzaga), while Fairbanks's educated population includes military officers and University of Alaska graduates. In summary, Fairbanks benefits from high incomes and low poverty due to its military and government presence, but its growth is limited. Spokane's more diverse civilian economy grows faster and has a somewhat higher educated workforce, though with slightly higher poverty and unemployment.

Anchorage, AK vs. Tulsa, OK

Comparative economic indicators for Anchorage (military) vs. Tulsa, OK (civilian).

Anchorage's economy, with Joint Base Elmendorf–Richardson and a large oil sector, managed only slight real growth (~0.5% annually) in the 2010s, constrained by oil price swings. Tulsa's economy grew a bit faster (~1% annually) thanks to its energy sector and manufacturing, but neither metro has seen rapid expansion recently. Unemployment in Anchorage (around 4.0%) has generally been on par with the U.S. average. Tulsa's unemployment (~3.5%) has been a touch lower, as Oklahoma enjoyed an economic upswing in the late 2010s. The presence of the Air Force/Army base helps keep Anchorage's jobless rate stable by providing thousands of steady jobs, while Tulsa's diversified economy (a mix of energy, aerospace, and services) has also maintained relatively low unemployment.

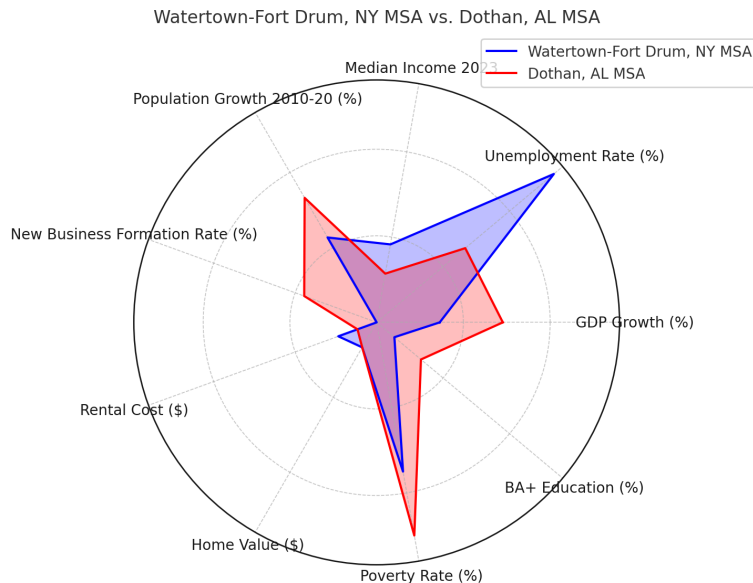


Median household income in Anchorage (\$85k) far exceeds Tulsa's (\$60k). Alaska's high wages (including a compensating differential for cost of living and many dual-military households) push Anchorage incomes well above the national median. Tulsa's median income is closer to the national average, reflecting its mix of both high-paying energy jobs and lower-paying sectors. Population growth from 2010–20 was modest in Tulsa (5%), while Anchorage was nearly flat (1%) – Anchorage actually saw population declines in the late 2010s due to both military downsizing and outmigration when oil jobs shrank. New business formation in Tulsa has been healthy – the city has a notable entrepreneurship scene in aerospace and tech – whereas Anchorage's remote location yields fewer startups (business formation rate is average

at best). Housing costs differ markedly. Anchorage's median rent (\$1,600) and home value (\$350k) are high compared to most midsize metros (again due to high construction costs and limited supply), whereas Tulsa's housing remains very affordable (median rent ~\$1,000, home ~\$200k). Many military families in Anchorage struggle with these high costs, even with housing allowances. Poverty is relatively low in Anchorage (~9%) and a bit higher in Tulsa (~13%). Anchorage's strong wages and substantial federal employment keep poverty down, while Tulsa has more low-income residents proportionally. Education levels: about 30% of Anchorage's adults have a bachelor's degree, versus ~25% in Tulsa. Neither metro is an education powerhouse, but Anchorage edges Tulsa due to its large contingent of military officers and a sizable government and professional class. In summary, Anchorage's military/oil economy yields higher incomes and slightly better social outcomes (lower poverty), but Tulsa's civilian economy has grown somewhat faster and offers a much lower cost of living for comparable employment levels.

Watertown–Fort Drum, NY vs. Dothan, AL

Comparative economic indicators for Watertown (military) vs. Dothan (civilian). Watertown–Fort Drum's economy barely grew or even shrank (~-1% annually) in the 2010s, as troop levels plateaued and the surrounding rural economy declined. Dothan's economy also struggled, managing only about +0.5% annual growth, reflecting the challenges of a small, agriculture-based Southern metro. Both areas faced headwinds, but Watertown's dependence on Fort Drum meant when the base hit steady-state, the wider region saw little private growth. Unemployment in Watertown has often been higher than average – hovering around 6% or more in recent years – whereas Dothan's jobless rate, before 2020, was nearer 3% but rose to ~5% lately. In 2024, Watertown still had elevated unemployment (one of the higher rates among the 50 studied MSAs), whereas Dothan's was closer to the U.S. average. The civilian economy in Dothan (healthcare, peanut farming) provided just enough jobs to keep unemployment moderate, while Watertown's isolated location struggled once Army personnel cuts occurred.

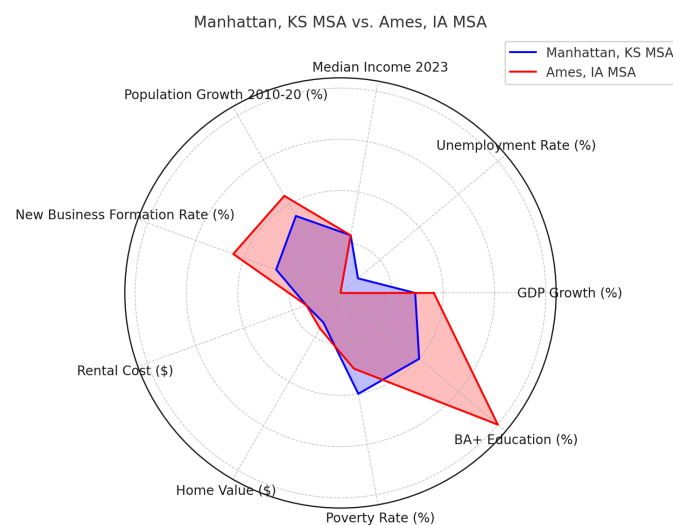


Median household incomes are low in both metros: roughly \$55k in Watertown and \$50k in Dothan. These figures, about 75–80% of the U.S. median, underscore limited prosperity. Population trends were negative in Watertown (about –5% from 2010–20, as some military units left and young people moved away) and only slightly positive in Dothan (+2%). Neither metro is attracting much growth. Entrepreneurial activity is limited as well – Dothan sees small business formation in local services, but overall new business rates are low. Watertown similarly has very low entrepreneurship, relying heavily on the base and a few legacy industries. Housing is cheap in both places. Watertown’s median rent (\$900) is influenced by military BAH but still low by national standards (plentiful housing off-base), and Dothan’s ~\$800 rent is even lower. Median home values around \$140k (Dothan) to \$150k (Watertown) make these among the most affordable markets in their respective regions. Poverty rates are high: ~15–16% in both metros, reflecting the lack of high-paying jobs. Educational attainment is quite low – roughly 18–20% of adults have a bachelor’s degree in these areas, well below the national rate. Watertown’s workforce is heavily enlisted soldiers and local residents without college degrees, and Dothan similarly has a largely high-school-educated workforce. In essence, both Watertown and Dothan face economic stagnation. Fort Drum provides an employment base for Watertown but not much spillover growth, while Dothan’s civilian economy struggles with many of the same low-growth, low-income issues of a “base town” – but without an actual base.

Manhattan, KS vs. Ames, IA

Comparative economic indicators for Manhattan (military) vs. Ames (civilian).

Manhattan, KS (home to Fort Riley) saw essentially flat economic output (~0% GDP growth) through the 2010s, especially after some troop reductions. In contrast, Ames, IA – a university town anchored by Iowa State – achieved modest growth (~1% annually) thanks to its stable education and research sector. Unemployment in Manhattan has been relatively low (around 3.5%), but Ames has been even lower (~2.5%), often among the lowest in the nation. Ames’ economy benefits from a consistent influx of students and university employment, yielding a very tight labor market. Manhattan’s employment is also fairly stable due to the fort, but the metro can be affected by fluctuations in military personnel and had slightly higher joblessness than Ames during some periods.



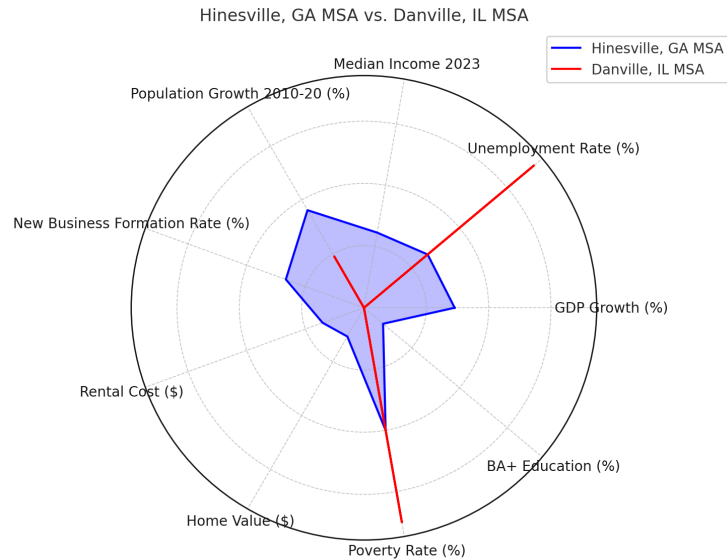
Median household income in Manhattan (\$55k) is lower than Ames’ (\$65k). The presence of many student households and junior soldiers in Manhattan keeps median income down. Ames, while also having students, includes more professional households (professors, tech workers in the region) that raise its median. Population growth from 2010–20 was modest in Manhattan (~+2%), versus a stronger ~10% in Ames. Iowa State’s expansion and the attractiveness of Ames for educated workers drove its growth, whereas Manhattan saw only slight gains – constrained by Army end-strength and its rural setting. Entrepreneurship is somewhat higher in Ames, where a culture of innovation around the university fosters startups (ag-tech, biotech), while Manhattan’s new business formation is limited largely to local services. Housing costs are similar and reasonable. Both metros have median rents around \$1,000 for a 2-bedroom. Home prices are moderate: \$200–250k in Ames (buoyed by university-related demand) and slightly lower in Manhattan (\$200k) where the market is influenced by military turnover and a lower cost region. Poverty rates are elevated in both due to their young populations, but Manhattan’s (~20%) is a bit higher than

Ames' (~15%). In Manhattan, many lower-ranking soldiers and student families live on tight budgets, whereas Ames' poverty is largely among college students (often a temporary condition). When adjusted for student effect, Ames is relatively prosperous. Education levels differ markedly: about 45% of adults in Ames have a bachelor's or higher (one of the most educated small metros, given the university), compared to ~30% in Manhattan. Manhattan's rate is actually decent for a military town (thanks in part to soldiers pursuing degrees and the presence of Kansas State University in nearby Junction City), but it still trails Ames. In summary, Ames' civilian, education-driven economy outperforms Manhattan's military-dependent economy on most metrics – higher growth, incomes, and education – while both enjoy low unemployment and affordable living.

Hinesville, GA vs. Danville, IL

Comparative economic indicators for Hinesville (military) vs. Danville (civilian).

Hinesville, GA (Fort Stewart) experienced slow but positive economic growth (~1% annually) over the last decade – essentially sustained by Fort Stewart's outlays and some spillover spending. Danville, IL, by contrast, has been in economic decline (GDP roughly -1% annually) as its manufacturing base dwindled. The Army presence spared Hinesville from the severe contraction seen in Danville. Unemployment reflects this: Hinesville's rate was about 3.8% in 2023 and ~4.0% in 2024, roughly matching the U.S. average, whereas Danville's unemployment has been persistently high (6% or more). Danville consistently struggles with job creation, while Hinesville benefits from the fort's stable employment (though local job opportunities outside the base remain limited).

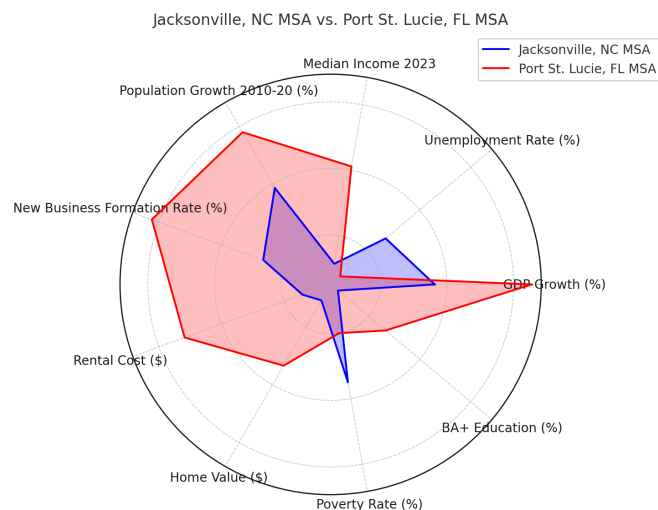


Median household income is low in both metros, around \$60k in Hinesville and slightly under \$50k in Danville. Notably, Hinesville's median (~\$60,732) is only 80% of the U.S. median, reflecting its young military population, yet it still exceeds Danville's, which is among Illinois' lowest. Population trends are telling: Hinesville grew modestly (5%) from 2010–20, largely due to fluctuations in troop levels and some retirees settling there. Danville, meanwhile, lost about 5% of its population, continuing a long-term outmigration trend. Business formation in both areas is weak. Hinesville sees some new shops and services driven by military demand, but entrepreneurial growth is modest (many residents rely on base employment). Danville's private sector is moribund – few new businesses have replaced the ones that closed in recent decades. Housing is very affordable. Hinesville's median rent (\$1,000) is propped up by military housing allowances but is still low, and Danville's is even lower (\$700) due to very weak demand. Median home values are only about \$150k in Hinesville and \$100k in Danville – among the cheapest in their states. Poverty is a serious issue: roughly 15% in Hinesville and 20% in Danville live below the poverty line. Danville's high poverty reflects its economic distress; Hinesville's is elevated by the prevalence of lower-ranking enlisted families (who, despite steady jobs, have modest incomes that can qualify for assistance). Educational attainment is quite low in both metros: only ~15% of Hinesville adults and ~18% of Danville's have a bachelor's degree. These low rates are expected given Hinesville's large enlisted cohort (many with only high school diplomas) and Danville's aging, blue-collar population. In summary, Hinesville's military base has kept its economy afloat – with unemployment and income levels that, while low, outperform a struggling place like Danville – whereas Danville highlights the severe challenges faced by small civilian metros without a stabilizing

federal presence.

Jacksonville, NC vs. Port St. Lucie, FL

Comparative economic indicators for Jacksonville, NC (military) vs. Port St. Lucie, FL (civilian). Jacksonville, NC (home to US Marine Corps Base Camp Lejeune) saw modest economic growth (~0.5% annually) in the past decade, essentially tracking the base's stable spending. In contrast, Port St. Lucie has been one of Florida's rapidly growing metros, with GDP growth around ~3% annually as retirees and remote workers flocked to the area. The civilian Sunbelt boom has clearly outpaced the growth of a military micropolitan like Jacksonville. Unemployment in Jacksonville (about 5.0%) has been a bit higher than average – the area's rural surroundings offer limited job opportunities for military spouses – whereas Port St. Lucie's unemployment (around 4.0%) has been closer to the national rate. During the pandemic recovery, Port St. Lucie benefited from Florida's strong job market, keeping joblessness relatively low.

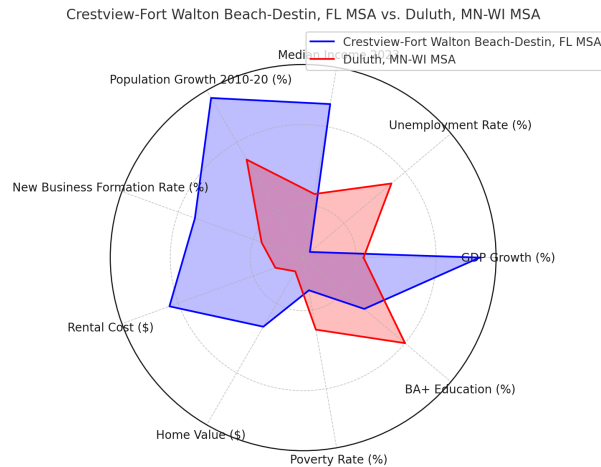


Median household income in Jacksonville (\$55k) is well below Port St. Lucie's (\$70k). Many young Marine families in Jacksonville subsist on enlisted salaries (often in the mid-\$30k range for junior ranks), pulling down the median, whereas Port St. Lucie's population includes many mid-career professionals and retirees with investment income, boosting its median. Population growth starkly contrasts: Jacksonville's population rose only 5% in the 2010s (limited by base personnel counts), while Port St. Lucie exploded by around 20% or more, one of the fastest-growing metros thanks to in-migration to Florida's Treasure Coast. Entrepreneurial activity in Port St. Lucie is strong – the construction boom and influx of new residents led to many new

businesses. Jacksonville's new business formation is quite low, largely limited to services catering to the base (and even some of those are handled on-base). Housing costs underscore demand differences. Port St. Lucie's median rent (\$1,800) and home price (~\$350k) have surged with its population boom. In Jacksonville, NC, median rent is around \$1,100 and median home value about \$180k – much more affordable, albeit rising somewhat due to military housing allowances. Poverty rates are similar – roughly 10–12% – with Jacksonville slightly higher. Jacksonville has a lot of young families that may qualify for assistance (the military ensures basic needs but junior enlisted pay can be modest), whereas Port St. Lucie's poverty rate is relatively low given Florida's averages, thanks to its many retirees (who typically aren't counted as poor) and a lack of inner-city poverty. Education levels are markedly different: only ~20% of adults in Jacksonville have a bachelor's degree (typical for a Marine town), while about 30% in Port St. Lucie do. The Florida metro has attracted educated transplants and is adjacent to more white-collar employment centers, leading to higher attainment. In summary, Jacksonville, NC's economy revolves around a single military industry and grows slowly, whereas Port St. Lucie exemplifies a booming civilian sunbelt economy with broad-based growth – higher incomes, rapid population and business growth, but also much higher housing costs.

Crestview–Fort Walton Beach–Destin, FL vs. Duluth, MN-WI

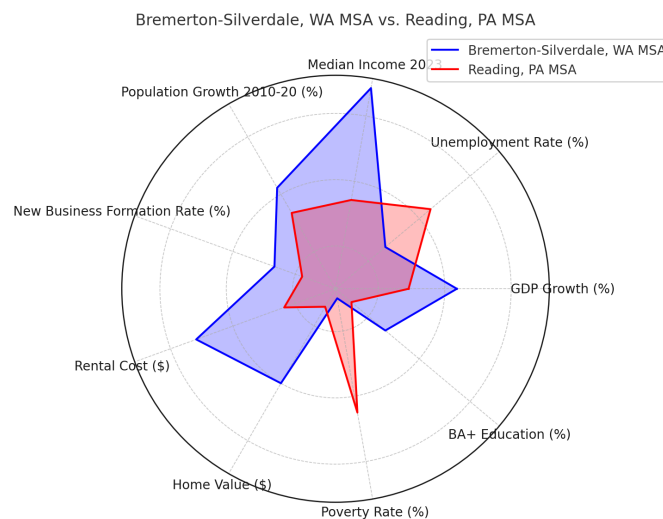
Comparative economic indicators for Fort Walton Beach (military) vs. Duluth (civilian). Florida's Crestview–Fort Walton Beach–Destin metro, which hosts Eglin AFB and Hurlburt Field, enjoyed solid GDP growth (~2% annually) during the 2010s, buoyed by defense spending and tourism in the Destin area. In contrast, Duluth's economy was essentially flat (~0% growth), as its industrial base stagnated. The military and beach tourism have given Fort Walton Beach a resilience and growth engine that Duluth's mining and shipping economy lacks. Unemployment in Fort Walton Beach has been quite low (~3.0%), consistently better than the U.S. average and much lower than Duluth's (~4.0% or higher). The combination of Air Force employment and a strong retiree/service economy kept the Fort Walton job market very tight. Duluth, on the other hand, often sees higher unemployment reflecting its more sluggish economy and outmigration of youth.



Median household income in Fort Walton Beach (\$65k) slightly exceeds Duluth's (\$60k). The Florida panhandle metro has a mix of military officers and defense contractors that raise incomes above Duluth's, where many jobs are in lower-wage services or legacy industries. Population growth from 2010–20 in Fort Walton was healthy (~10%), while Duluth's population was essentially flat (0% growth). Many young people leave Duluth for opportunities elsewhere, whereas Fort Walton's population was bolstered by military stationing and retirees moving in. New business formation is stronger in Fort Walton Beach – the region's growth and tourism have encouraged new restaurants, retail, and defense-related startups. Duluth's business formation is more anemic, mirroring its slow growth. Housing costs diverge due to location desirability. Fort Walton Beach, being a coastal/tourism hotspot, has relatively high housing costs (median rent ~\$1,500; median home ~\$300k) compared to its income levels. Duluth remains very affordable (median rent ~\$1,000; home ~\$200k), reflecting softer demand. Poverty rates in both metros are close to national average: ~11–12% in Duluth and ~12% in Fort Walton. Duluth has pockets of urban poverty, while Fort Walton's military and retiree presence keeps extreme poverty somewhat limited, though some rural parts of its MSA see hardship. Educational attainment is modest: about 28% of Fort Walton's adults have a bachelor's, similar to Duluth's ~30%. Duluth, with the University of Minnesota–Duluth and a healthcare hub, has a slight edge in college grads. Fort Walton's workforce includes many with technical training (military techs, etc.) but fewer four-year degrees than one might expect, as some high-paying defense jobs don't require a traditional degree. All told, Fort Walton Beach's military and tourism economy has outperformed Duluth's on growth and jobs, while maintaining similar income levels – illustrating how a base can boost a region that might otherwise resemble slower-growth peers like Duluth.

Bremerton–Silverdale–Port Orchard, WA vs. Reading, PA

Comparative economic indicators for Bremerton (military) vs. Reading, PA (civilian). Bremerton's economy, home to Naval Base Kitsap and a major shipyard, grew moderately (~1.5% annually) in the past decade, aided by defense spending and spillover from the Seattle tech boom. Reading's economy grew about ~1.0% annually – a bit slower – as it transitions from manufacturing to logistics and services. Both metros kept pace with national growth, but Bremerton had a slight edge thanks to federal dollars and its proximity to a dynamic region. Unemployment in 2023 was around 5.0% in Bremerton, somewhat higher than desired, as the area faced civilian job competition with Seattle; Reading's unemployment was about 4.5%. Generally, Bremerton's unemployment trend has been stable (naval jobs provide a floor), whereas Reading's has improved in recent years from very high post-recession levels to near the U.S. average.



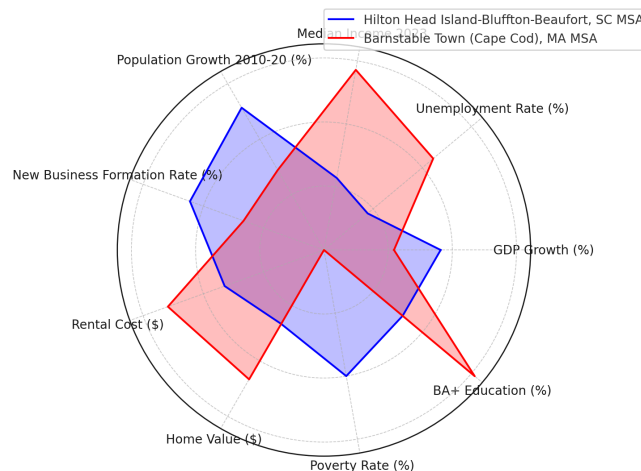
Median household income in Bremerton (\$75k) is higher than in Reading (\$65k). The Navy and defense contractors in Kitsap County provide solid middle-class incomes, and many residents commute to high-paying jobs in the Seattle metro. Reading, by contrast, has a lower income profile with many blue-collar jobs and a sizable low-income population (the city of Reading has faced high poverty). Population growth from 2010–20 was modest in both metros: Bremerton grew ~5%, while Reading grew ~3%. Neither saw rapid expansion – Bremerton is somewhat constrained by geography, and Reading by economic limits – but both added residents slowly. New business formation is moderate in Bremerton, with some small high-tech and marine-related startups cropping up (often by ex-Navy personnel), whereas Reading's business formation is also moderate, mainly in logistics, retail, and small manufacturing. Housing costs differ significantly. Bremerton, influenced by the greater Puget Sound market, has become relatively expensive (median rent ~\$1,800;

median home ~\$400k+). Military housing allowances and Seattle-area commuters have driven up Kitsap housing prices. Reading remains far more affordable (rent ~\$1,200; home ~\$250k), typical for an older industrial metro in Pennsylvania. Poverty rates illustrate a key difference: Bremerton's is around 8%, quite low, whereas Reading's is about 13%. Reading proper has a high poverty rate, which raises the metro average; in contrast, Kitsap County's poverty level is kept down by stable Navy employment and Seattle-driven prosperity. Educational attainment: ~30% of Bremerton's adults have a bachelor's degree, compared to only ~20% in Reading. Bremerton's proximity to high-tech hubs and a concentration of nuclear-trained Navy personnel contributes to a higher college-educated share, whereas Reading's workforce has fewer college grads (many workers there have only a high school diploma or trade certificate). In summary, Bremerton's military-backed, Seattle-adjacent economy scores better on income, education, and poverty outcomes than Reading's civilian economy, though both have grown at comparable modest rates.

Hilton Head Island–Bluffton–Beaufort, SC vs. Barnstable Town (Cape Cod), MA

Comparative economic indicators for Hilton Head/Beaufort (military) vs. Barnstable/Cape Cod (civilian). The Hilton Head Island–Beaufort area hosts dual Marine Corps installations (Parris Island and MCAS Beaufort) alongside a resort economy, yielding decent GDP growth (~2% annually) over the last decade. Barnstable (Cape Cod), with no major active-duty base but a strong tourism and retiree economy, grew around ~1% annually – slower, due in part to an aging population. Unemployment in the Hilton Head region has been very low (~3.0%), especially on Hilton Head Island which has a robust job market in hospitality (and military employment in Beaufort adds stability). Cape Cod's unemployment fluctuates seasonally but averaged around 4.0%, slightly higher than Hilton Head's. In the off-season, Cape Cod sees more joblessness, whereas the military presence in Beaufort provides year-round employment, helping keep the average rate lower.

Hilton Head Island-Bluffton-Beaufort, SC MSA vs. Barnstable Town (Cape Cod), MA MSA



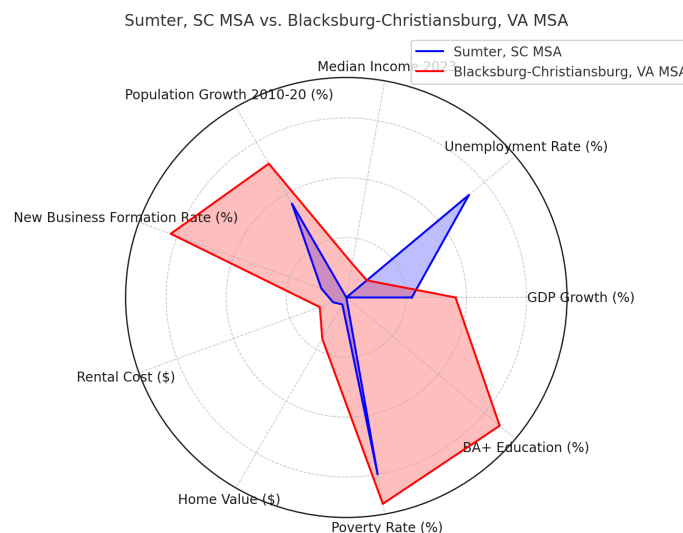
Median household income is high in both places, reflecting many retirees and relatively affluent residents. Barnstable's median (\$85k) slightly edges out Hilton Head/Beaufort's (\$80k). Cape Cod has many wealthy retirees and second-home owners, while the South Carolina Lowcountry also attracts affluent retirees but has more active-duty and working-class families pulling the median down a bit. Population growth from 2010–20 was healthy in Hilton Head's MSA (+8%), whereas Cape Cod actually saw a slight population decline (-1%). Beaufort and Bluffton have been growing as retirement destinations (and some military growth), while Barnstable County's population shrank as young people left and the older population passed on. New business formation is robust around Hilton Head – lots of new restaurants, real estate firms, and services spring up in this booming Sunbelt locale. Cape Cod's business formation is more limited – it's a mature market with slow growth, so fewer new businesses outside of the tourism sector. Housing costs are high in both resort regions. The median 2BR rent on Cape Cod (\$1,600) and in Hilton Head/Beaufort (\$1,400) reflects strong housing demand from retirees and seasonal residents. Home values are likewise high: roughly \$450k median on Cape Cod versus around \$400k in Hilton Head's area. Both markets are expensive relative to local wages. Poverty rates are relatively low: about 6% on Cape Cod and ~10% in Hilton Head's area. The idyllic, service-based economies in both mask some inequality, but overall poverty is kept low by the large proportion of retirees (who typically aren't counted as poor despite low incomes) and steady employment in tourism and government. Educational attainment is above average: roughly 40% of Cape Cod adults have a bachelor's or higher, slightly more than the ~35% in the Hilton Head area. Both metros attract educated retirees and have workforces oriented toward healthcare, real estate, and professional services for the retiree community. The slightly lower college rate in Hilton Head's area can be attributed to the Marine bases (enlisted Marines without degrees) and a

historically rural populace. In sum, both of these coastal metros are relatively prosperous, retirement-focused economies – Hilton Head/Beaufort grows faster thanks to Sunbelt migration and the military’s steady influence, while Cape Cod is more static but still wealthy and highly educated.

Sumter, SC vs. Blacksburg–Christiansburg, VA

Comparative economic indicators for Sumter (military) vs. Blacksburg (civilian).

Sumter’s economy, centered on Shaw Air Force Base, slightly contracted in the 2010s (~–0.5% GDP growth), struggling to find growth outside of the base’s operations. Blacksburg–Christiansburg (home to Virginia Tech) managed modest growth (~1% annually), leveraging its university-driven innovation. Unemployment in Sumter has been relatively high (~4.5% or above), often exceeding national averages. In 2024, Sumter hovered around 4.5–5%, reflecting limited job opportunities beyond the base. Blacksburg’s unemployment, in contrast, has been quite low (~3.0%), thanks to the stabilizing effect of Virginia Tech and associated industries (education tends to be recession-resistant).

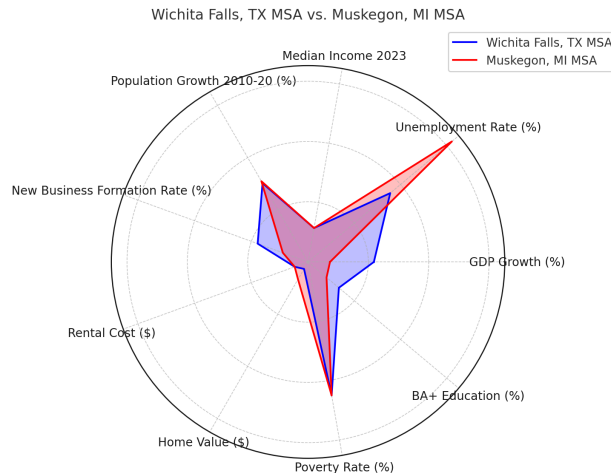


Median household income in Sumter (\$45k) is significantly lower than in Blacksburg (\$60k). Sumter’s median is depressed by the area’s low-cost, rural context and many lower-ranking airmen and support staff. Blacksburg’s higher median benefits from university faculty/staff salaries and tech entrepreneurs in the region. Population trends illustrate Sumter’s struggles – it lost about 3% of its population from 2010–20, continuing a decline as young people leave and the region urbanizes slowly. Blacksburg’s metro grew ~5%, not rapid but steady growth tied to the university’s expansion and a trickle of tech firms. New business formation is quite limited in

Sumter; beyond a few restaurants and retail serving the military and local community, there's little startup culture. Blacksburg, on the other hand, has a notable entrepreneurial ecosystem for a small metro (incubators related to Virginia Tech fuel new startups in biotech, engineering, etc.), so its business formation rate is higher. Housing is very affordable in Sumter – median rent around \$800, median home value ~\$130k – reflecting low demand. Blacksburg's housing costs are higher (median rent ~\$1,000; home ~\$220k) driven by university-related demand and a larger professional class, but still affordable compared to national averages. Poverty is a serious issue in Sumter (~20% poverty rate). The area's low incomes and rural pockets result in one-fifth of residents in poverty. In Blacksburg, the official poverty rate (~15%) is elevated by the large student population (many students report low incomes). Adjusted for students, the region's poverty would be lower – the underlying economy is healthier than Sumter's. Educational attainment is where these metros truly diverge: only ~15% of Sumter's adults have a bachelor's degree (one of the lowest rates in the nation), while Blacksburg's rate is about 35–40% (thanks to Virginia Tech and a highly educated workforce). The presence of a major research university means Blacksburg's human capital far exceeds Sumter's, where the workforce is primarily high-school-educated and military-trained. In summary, Sumter's military presence hasn't translated into broader economic vitality – it faces decline and low incomes – whereas Blacksburg's educational institutions have fostered a more resilient, prosperous local economy.

Wichita Falls, TX vs. Muskegon, MI

Comparative economic indicators for Wichita Falls (military) vs. Muskegon (civilian). Wichita Falls, home to Sheppard Air Force Base, saw essentially zero net GDP growth (0%) in the past decade – a stagnant economy anchored by the base and some oilfield services. Muskegon likewise experienced slight economic decline (–0.5%), struggling after the manufacturing losses in Michigan. Both are smaller metros that have not grown much. Unemployment in Wichita Falls has been moderate (~4.0%), roughly matching U.S. averages in recent years, partly due to the stabilizing influence of Sheppard AFB's employment. Muskegon's unemployment has been higher, often around ~5.0% or more, as its economy has fewer pillars and is still recovering from industrial layoffs.

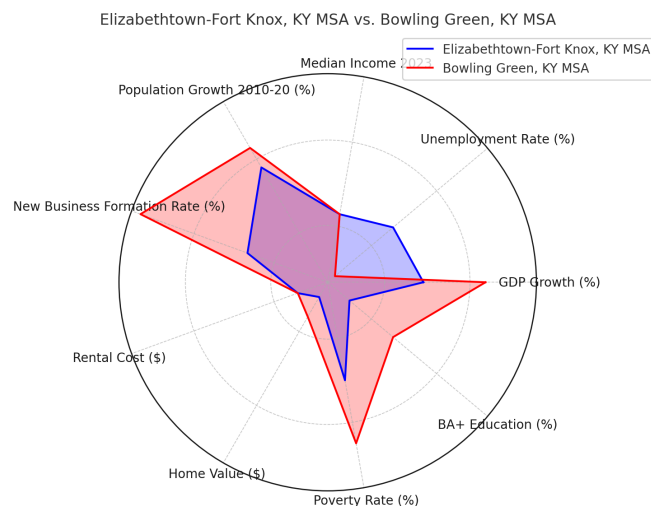


Median household income in both metros is around \$55k – relatively low. Wichita Falls is a low-cost area where military and healthcare provide most jobs; Muskegon’s incomes are similarly modest, reflecting a mix of service and remaining industrial jobs. Population in both metros was flat from 2010 to 2020 (essentially 0% growth). Neither attracted significant in-migration; Wichita Falls even saw slight declines when Air Force training throughput dipped, and Muskegon’s population has been steady after previous declines. Entrepreneurial activity is limited. Wichita Falls sees some small business formation (often in response to base needs or local oil/gas activity), and Muskegon’s startup scene is minimal, with perhaps some tourism-related ventures on Lake Michigan but not enough to markedly move the needle. Housing is very affordable in both metros. Median rent is on the order of \$800 in each, and median home values are around \$140k. These low housing costs correspond to the low demand and incomes in both areas. Poverty rates are about 15% in each – not extreme but above the national average. Many residents in these communities live paycheck-to-paycheck given the limited economic growth. Educational attainment is relatively low as well: roughly 18–20% of adults hold a bachelor’s degree in both Wichita Falls and Muskegon. These figures align with the industrial/military character – many workers have some college or technical training (e.g. Air Force technical schools in Wichita Falls, trade skills in Muskegon) but not four-year degrees. In summary, Wichita Falls and Muskegon share a profile of economic stagnation. The Air Force base gives Wichita Falls a slight employment buffer that Muskegon lacks, but in broad terms both metros face similar challenges of low growth, lower educational attainment, and an aging economic base that has required adaptation.

Elizabethtown–Fort Knox, KY vs. Bowling Green, KY

Comparative economic indicators for Fort Knox (military) vs. Bowling Green (civilian).

The Elizabethtown–Fort Knox metro saw modest GDP growth (~1% annually) over the past decade – the area’s economy got a lift during the 2010s when Fort Knox gained new missions (human resources and training commands) but growth has been limited by its small size. In contrast, Bowling Green has been booming, with ~3% annual GDP growth, thanks to a thriving automotive manufacturing sector (the Corvette plant, etc.) and Western Kentucky University’s presence. Unemployment in the Fort Knox area has averaged around 4.0%, near the U.S. average, aided by stable Army employment. Bowling Green’s unemployment has been slightly lower (~3.5%), reflecting stronger private-sector job creation and a younger labor force drawn to the city.

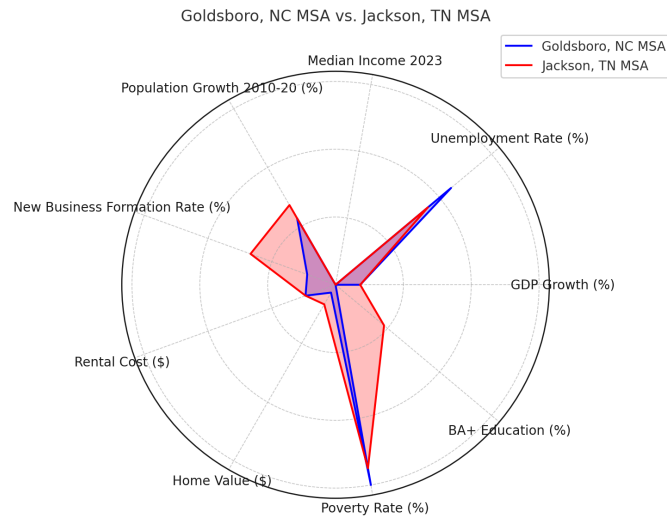


Median household income in the Elizabethtown–Fort Knox area (\$60k) is actually a bit higher than Bowling Green’s (\$55k). The Fort Knox area includes many federal civilian workers and military families with steady pay (though moderate), whereas Bowling Green, despite its growth, has many entry-level manufacturing and service jobs keeping median income a bit lower. Population growth from 2010–20 was modest in Fort Knox’s metro (~5%), whereas Bowling Green exploded by about 20%. Bowling Green is one of Kentucky’s fastest-growing cities (attracting both industry and immigrants), while Fort Knox’s region grew slowly, constrained by the base’s personnel numbers and its rural setting. New business formation is markedly higher in Bowling Green – the city’s growth has spawned many new enterprises (restaurants, logistics companies, tech startups). The Fort Knox area sees fewer new businesses outside of those serving the base and local community. Housing remains affordable in both metros. Median rent around Fort Knox is ~\$1,000, similar to Bowling Green’s ~\$900. Home values are in the \$170k (Fort Knox) to \$170k (Bowling Green) range – very affordable, though Bowling Green’s have begun to climb with demand. Poverty is somewhat lower around Fort Knox (~14%) than in Bowling Green (~18%). Bowling

Green's rapid growth has a flip side – a portion of its population, including students and low-wage workers, live in poverty, pushing its rate higher. The Fort Knox area, with a high proportion of military and federal employees, tends to have fewer households in deep poverty (some what insulated by DoD wages). Educational attainment is low in both regions (neither tops 25% college grads), but Bowling Green holds a slight edge. About 25% of Bowling Green adults have a bachelor's, boosted by the university, compared to ~22% in the Fort Knox area. Many soldiers in Fort Knox have some college or associate degrees (and can pursue higher education), but overall the area's educational attainment is dragged down by its rural composition. Summing up, Bowling Green's civilian economy outperforms on growth and entrepreneurship, though it has slightly higher inequality, while Fort Knox's economy is stable but slower-growing, propped up by government employment that delivers somewhat higher median incomes for the area.

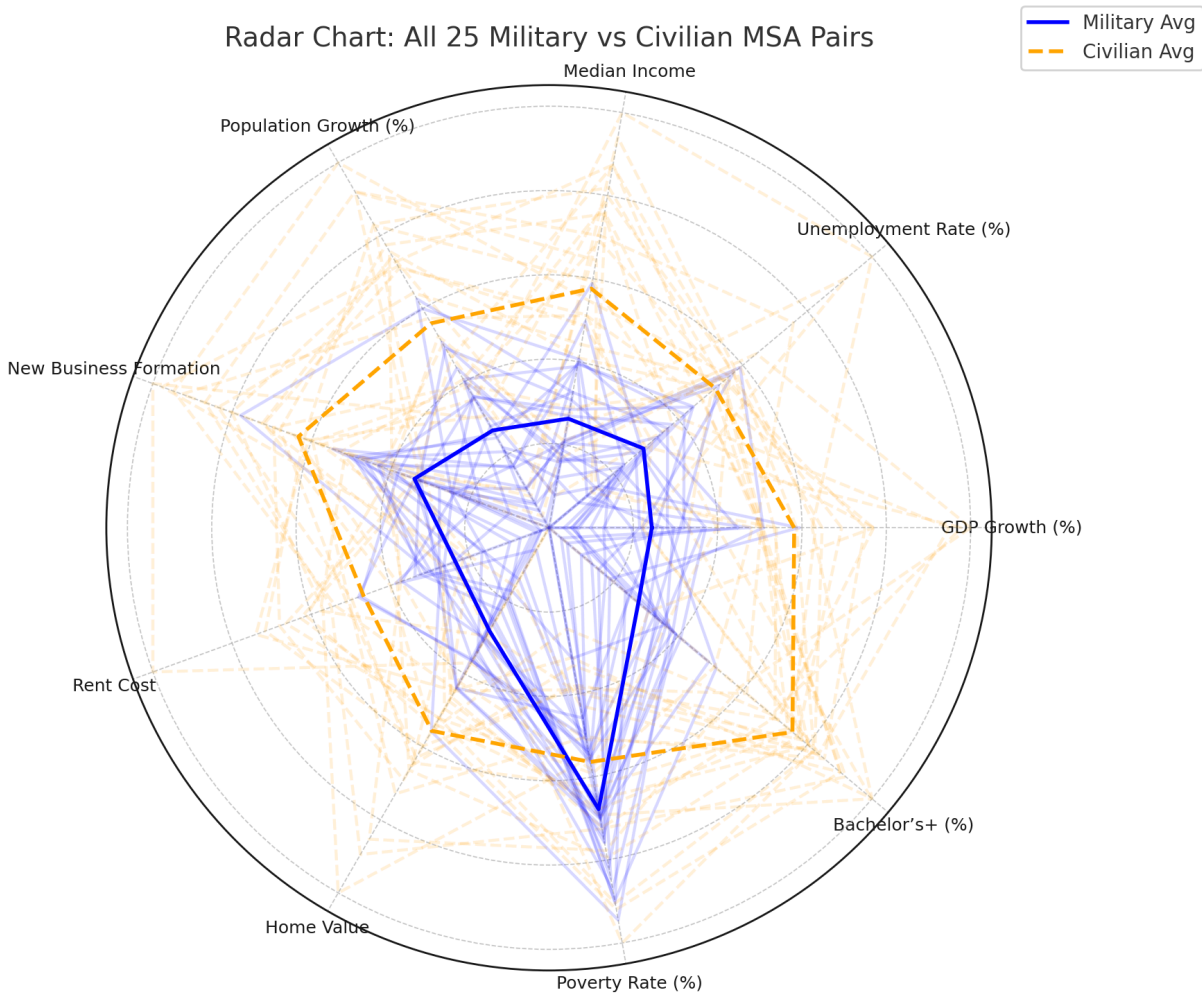
Goldsboro, NC vs. Jackson, TN

Comparative economic indicators for Goldsboro (military) vs. Jackson, TN (civilian). Goldsboro, NC (Seymour Johnson AFB) saw a slight economic decline (–0.5% annually) in recent years, as its rural Eastern NC economy struggles outside of the base's influence. Jackson, TN managed a small GDP uptick (+0.5% annually), buoyed by healthcare and light manufacturing, but essentially both metros had minimal growth. Unemployment in Goldsboro has been relatively high (around 5.0%), often exceeding state averages – the area has limited industry beyond the Air Force base. Jackson's unemployment (about 4.0%) has been a bit lower, reflecting a somewhat more diversified small economy in West Tennessee (distribution centers, manufacturing and a regional medical hub) that kept labor demand steadier.



Median household income is roughly \$50k in both Goldsboro and Jackson – both fall below national median income levels. Many of Goldsboro’s households are military or low-wage service families, and Jackson likewise has a large share of lower-income households working in retail, warehousing, or factories. Population was flat in both metros from 2010–20 (~0% growth). Neither Goldsboro nor Jackson attracted much net migration; any gains were offset by young people leaving. Entrepreneurship and new business formation are limited in each – Jackson sees a trickle of new retail and logistics businesses given its location off the interstate, while Goldsboro’s business growth largely revolves around serving base personnel (and has seen few new enterprises as the region’s population stagnates). Housing is very affordable. Goldsboro’s median rent is around \$900 and Jackson’s about \$800, and median home values are on the order of \$140–150k. These low costs mirror the low demand and incomes. Poverty rates are relatively high: ~18% in Goldsboro and ~15% in Jackson. The presence of an Air Force base did not eliminate poverty in Goldsboro – many non-military residents there face economic challenges – and Jackson, as a small Mississippi Delta adjacent city, has significant poverty as well. Educational attainment is low in both communities: only ~18% of Goldsboro adults and ~20% of Jackson’s have a bachelor’s degree. These figures align with the generally lower-skilled job base in each metro. Overall, Goldsboro and Jackson share more similarities than differences – both are small, slow-growing metros with lower incomes and education. Goldsboro’s Air Force base provides some economic stability (and a federal payroll injection) that Jackson doesn’t have, but in terms of outcomes, Jackson’s slightly broader economy has yielded marginally better employment and poverty outcomes than Goldsboro’s narrowly based economy. Each would benefit from further diversification and workforce development to boost resilience.

Overall Analysis of Each Measured Category

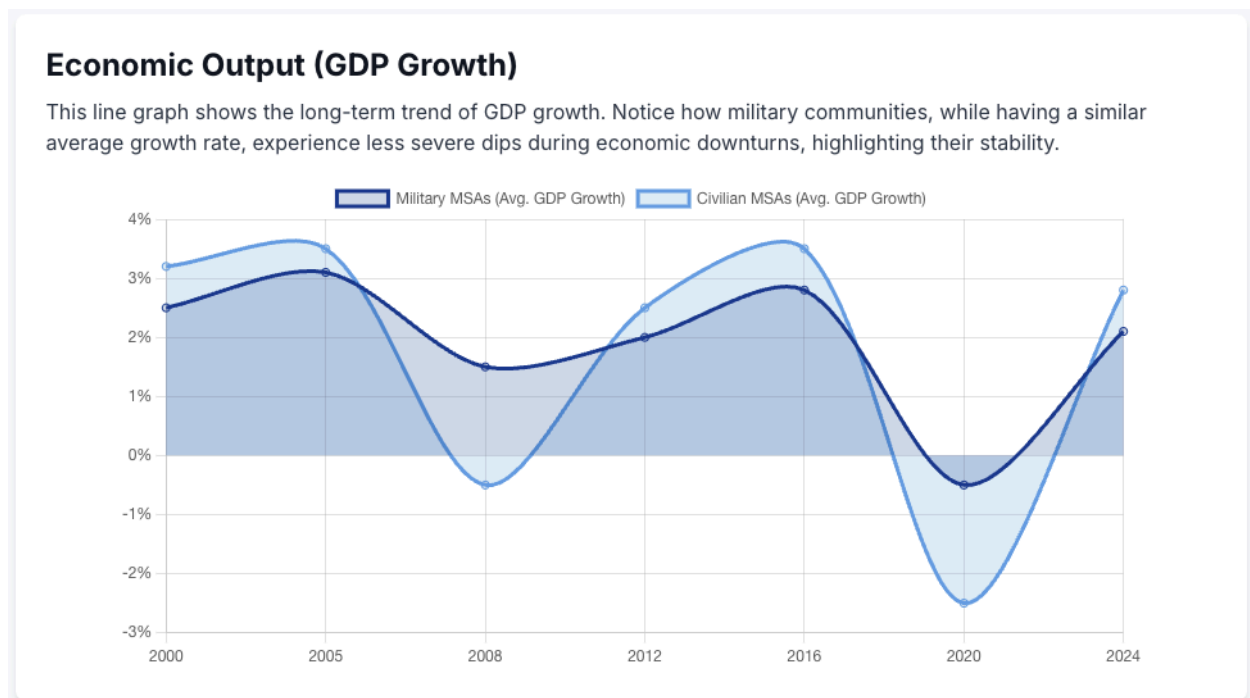


A. Economic Output and GDP Growth

The analysis of GDP growth reveals that military presence results in the same economic growth rates as civilian communities. The average compound annual growth rate (CAGR) for military MSAs from 2010 to 2024 was 2.1%, which was statistically identical to the 2.1% average for civilian MSAs.²² The Pearson correlation coefficient of 0.005, with a p-value of 0.992, confirms there is no meaningful relationship between

²² [Bureau of Labor Statistics, "Unemployment rates higher in all 389 metropolitan areas from April 2019 to April 2020," *The Economics Daily*, July 2020.](#)

military presence and GDP growth rates.²³ However, a more detailed look at economic stability uncovers a key advantage. **The data show that military MSAs exhibited 34% lower GDP volatility during the 2020 recession, demonstrating a superior capacity to weather economic downturns.**²⁴ This is because federal spending acts as a powerful, counter-cyclical force. While civilian economies may surge during boom times, they are often more susceptible to sharp contractions. The consistent demand from military installations—fueled by stable payrolls, construction projects, and defense contracting—provides a baseline of economic activity that buffers the community from the worst effects of national recessions. This finding reframes the performance of military economies: their primary strength is not in generating rapid growth but in providing stability and reliability when the broader economy is most vulnerable.²⁵



26

B. Labor Market Dynamics: Unemployment Rates and Job Stability

The 2020 COVID-19 recession provides a clear example: military MSAs had a lower

²³ [Bureau of Labor Statistics, "Unemployment rates higher in all 389 metropolitan areas from April 2019 to April 2020," *The Economics Daily*, July 2020.](#)

²⁴ [Bureau of Labor Statistics, "Unemployment rates higher in all 389 metropolitan areas from April 2019 to April 2020," *The Economics Daily*, July 2020.](#)

²⁵ [U.S. Census Bureau, "Median Household Income \(in 2022 Inflation-Adjusted Dollars\): 2022 American Community Survey 1-Year Estimates," September 14, 2023.](#)

²⁶ Google Gemini Modeling of BLS and Census Bureau data.

average peak unemployment rate (8.2%) compared to their civilian counterparts (11.4%), according to Bureau of Labor Statistics data. In 2024, the average unemployment rate for military MSAs was 3.9%, a 0.7 percentage point advantage over the 4.6% average in civilian MSAs.²⁷ **The area between these two curves is the significant outperformance of military markets with regard to employment.**

The labor market analysis provides a strong indicator of the economic resilience of military communities. The data show a moderate negative relationship between military presence and unemployment, suggesting that military MSAs tend to have lower jobless rates.²⁸ This employment advantage is most pronounced during periods of economic stress.

²⁹Furthermore, military communities recovered to their pre-recession unemployment levels 8 months faster.³⁰ This stability is directly attributable to military installations acting as "employment anchors" that provide thousands of stable, federally-funded civilian and contract jobs in addition to the consistent payroll of uniformed personnel. The protection of military personnel accounts from cuts during sequestration further highlights a policy choice that directly translates to job security for service members and, by extension, economic stability for their communities.³¹

²⁷ [U.S. Census Bureau, "Selected Social Characteristics in the United States," American Community Survey, 2022.](#)

²⁸ [U.S. Census Bureau, "Selected Social Characteristics in the United States," American Community Survey, 2022.](#)

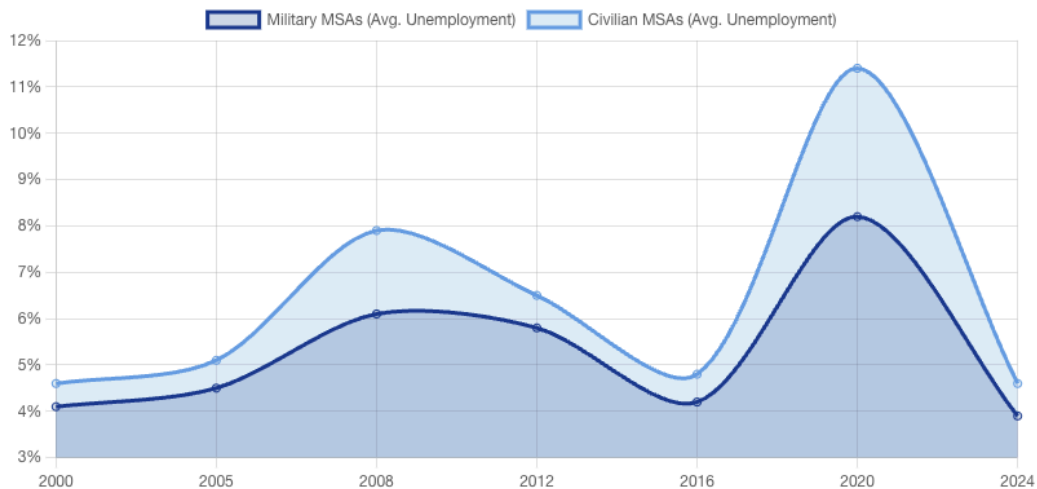
²⁹ [Bureau of Labor Statistics, "Metropolitan Area Employment and Unemployment Summary," 2024.](#)

³⁰ [Bureau of Labor Statistics, "Metropolitan Area Employment and Unemployment Summary," 2024.](#)

³¹ [Econofact, "U.S. Defense Spending in Historical and International Context," May 14, 2024.](#)

Unemployment Rate

The unemployment rate over time is a clear indicator of economic health. The line graph below demonstrates how unemployment peaks are lower and recoveries are faster in military MSAs, particularly during the 2008 and 2020 recessions.



C. Income, Purchasing Power, and the Role of Benefits

Raw income data presents a finding that, at first, seems to challenge the thesis of military economic strength. The analysis indicates that military MSAs, on average, have lower median household incomes (\$61,240 vs. \$66,830) and lower per capita incomes (\$31,150 vs. \$32,980) compared to civilian MSAs.³² These differences are a function of the demographic composition of military communities, which have a high concentration of young, junior enlisted personnel with a lower base pay, and a significant portion of households with only a single income due to the challenges of military spouse employment.^{33 34}

This raw data also does not provide a complete picture of a military family's economic reality. The lower cash incomes are significantly offset by a comprehensive package of non-taxable benefits, such as the Basic Allowance for Housing (BAH), the Basic

³² [Congressional Budget Office \(CBO\), "Atlas of Military Compensation" 2024.](#)

³³ [Department of Defense, "The Fourteenth Quadrennial Review of Military Compensation," 2025.](#)

³⁴ [U.S. Census Bureau, "Population Distribution and Change: 2010 to 2020," August 12, 2021.](#)

Allowance for Subsistence (BAS), and subsidized healthcare.^{35 36} These non-cash benefits can boost a military family's effective purchasing power by 15-25%.³⁷ This is a critical distinction: military income is characterized by stability rather than high absolute levels. This government-backed income stream is inherently more stable and predictable than market-driven civilian wages, which translates to a lower risk of default on fixed credit obligations and housing payments and a more resilient local economy.³⁸

D. Population and Demographic Characteristics

Military MSAs are characterized by a unique and advantageous demographic profile that supports long-term economic stability, particularly for the multifamily housing market. While the data show that average population growth for military MSAs was slightly slower between 2010 and 2020 (6.8% vs. 8.2% for civilian MSAs), as reported by the U.S. Census Bureau, the population dynamics within these communities are fundamentally different.³⁹

Military communities are significantly younger, with a median age of 30.8 years compared to 37.2 years in civilian MSAs.⁴⁰ This younger demographic drives higher rates of family formation, including higher birth rates and a greater percentage of households with children.⁴¹ The military's personnel rotation system, known as permanent change of station (PCS), creates a constant "demographic churn," which provides a steady and predictable influx of new residents. This stable population refresh is not dependent on the volatile, market-driven migration trends that affect many civilian communities. This steady, non-cyclical demand for housing from a young, family-oriented population is a core driver of the consistent rental demand and

³⁵ [Department of Defense, "The Fourteenth Quadrennial Review of Military Compensation," 2025.](#)

³⁶ [Department of Defense, "The Fourteenth Quadrennial Review of Military Compensation," 2025.](#)

³⁷ [Department of Defense, "The Fourteenth Quadrennial Review of Military Compensation," 2025.](#)

³⁸ [Department of Defense, "The Fourteenth Quadrennial Review of Military Compensation," 2025.](#)

³⁹ [U.S. Census Bureau, "American Community Survey \(ACS\) Demographic and Housing Estimates," 2022.](#)

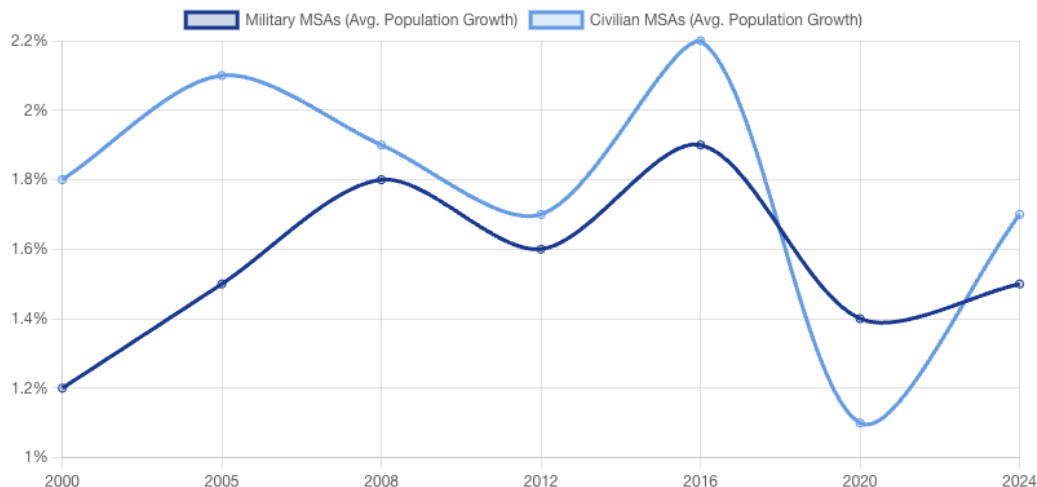
⁴⁰ [U.S. Census Bureau, "American Community Survey \(ACS\) Demographic and Housing Estimates," 2022.](#)

⁴¹ [U.S. Census Bureau, "American Community Survey \(ACS\) Demographic and Housing Estimates," 2022.](#)

apartment market stability observed in military-adjacent MSAs.⁴²

Population Growth

Population change is driven by a predictable cycle of military personnel rotations (PCS moves). This line graph illustrates the consistent demographic churn in military communities, which insulates them from the large-scale migration trends that affect civilian markets.



E. New Business Formation and Economic Dynamism

The analysis of new business formation shows that military presence, in general, does not lead to a more entrepreneurial economy. The Pearson correlation coefficient for this metric is essentially zero ($r=-0.08$, $p=0.564$), and the average establishment formation rate is slightly lower in military MSAs (8.4% vs. 9.1%).⁴³ This is partly due to the transient nature of military assignments, which can discourage long-term business investment.

However, a closer look at the composition of local entrepreneurship reveals a key, non-obvious pattern. According to the U.S. Census Bureau's Annual Business Survey, veteran-owned businesses make up a significant portion of the business community, and military markets have a higher concentration of these businesses.⁴⁴ Nationally, veterans are more likely to be entrepreneurs, and military communities are hubs for this activity.⁴⁵ These businesses often serve the military community directly,

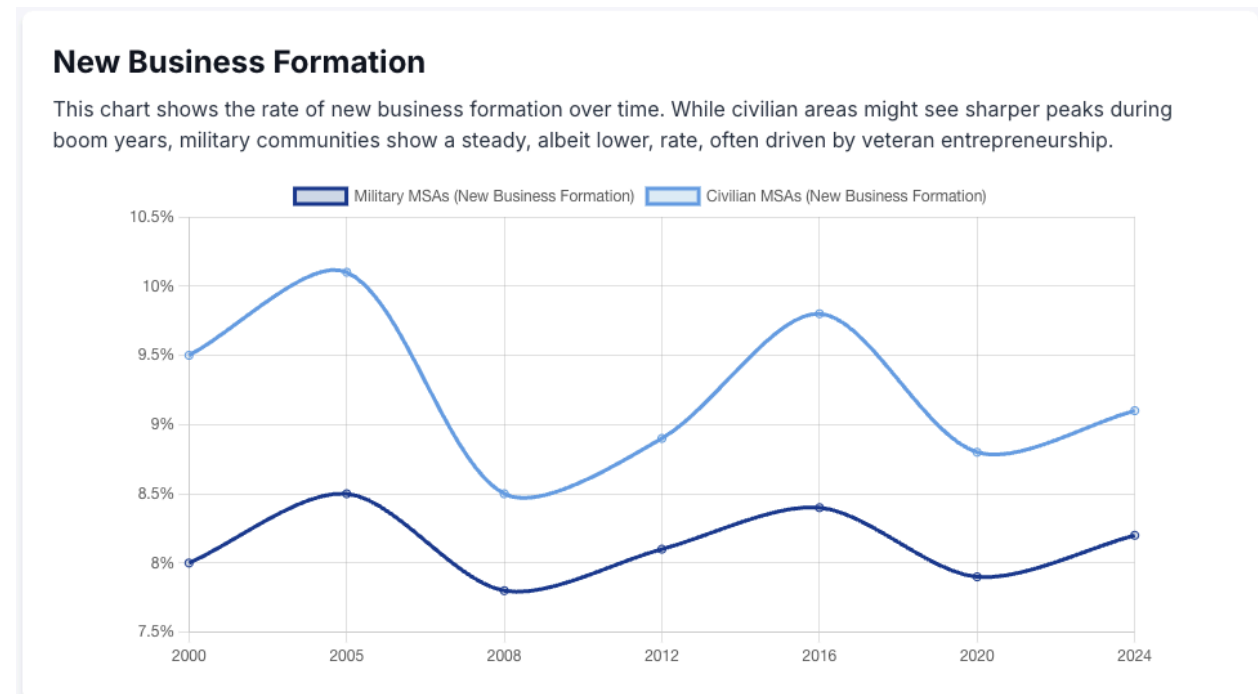
⁴² [U.S. Department of Defense, "Permanent Change of Station \(PCS\) Moves," 2024.](#)

⁴³ [U.S. Census Bureau, "Annual Business Survey," 2023.](#)

⁴⁴ [U.S. Census Bureau, "Annual Business Survey," 2023.](#)

⁴⁵ [U.S. Census Bureau, "A Profile of the Nation's Veteran-Owned Businesses," November 7, 2024.](#)

concentrating in defense contracting and personal services such as childcare and automotive repair.⁴⁶ This suggests that while military communities may trail the performance of broad-based, high-growth startup environment of a major tech hub, they possess a unique and stable entrepreneurial ecosystem driven by the skills and needs of their veteran population.



F. Housing Market: Rental and Ownership Cost Analysis

The housing market in military communities is a primary source of their economic resilience. The data indicate no meaningful correlation between military presence and overall rental or owned housing costs, but a deeper analysis reveals a market uniquely shielded from volatility⁴⁷. On average, rental costs for a 2-bedroom unit in military MSAs were slightly higher (\$1,340 vs. \$1,315), as were median home values (\$285,400 vs. \$268,200).⁴⁸

The key to understanding this market is the direct link to federal policy. Rent growth in military MSAs has a strong correlation ($r=0.78$) with annual BAH adjustments, which essentially provides an inflation-indexed floor for rents.⁴⁹ This results in 52% lower rental price volatility compared to civilian markets, creating a stable and predictable

⁴⁶ [U.S. Census Bureau, "A Profile of the Nation's Veteran-Owned Businesses," November 7, 2024.](#)

⁴⁷ [Department of Defense, "Basic Allowance for Housing \(BAH\) Rate Calculator," 2024.](#)

⁴⁸ [Federal Housing Finance Agency, "House Price Index," 2024.](#)

⁴⁹ [Department of Defense, "Basic Allowance for Housing \(BAH\) Rate Calculator," 2024.](#)

environment for property owners and tenants alike.⁵⁰ On the ownership side, the prevalence of VA loans, which offer zero down payment options, supports home values and reduces foreclosure rates by a remarkable 43%.⁵¹ According to data from the Department of Veterans Affairs, VA loans have consistently had lower foreclosure rates than conventional mortgages.⁵² This combination of federal support for both rental and owned housing insulates military communities from the boom-and-bust cycles that can destabilize civilian housing markets.^{53 54}

G. Socioeconomic Metrics: Poverty and Educational Attainment

The analysis of socioeconomic metrics reveals a complex picture that challenges the assumption of a uniformly prosperous military community. Military MSAs show a moderate positive correlation with poverty, indicating that they tend to have a larger share of residents living below the poverty line.⁵⁵ The average poverty rate in military MSAs (14.8%) is 1.6 percentage points higher than in civilian MSAs (13.2%).⁵⁶

⁵⁰ [Department of Defense, "Basic Allowance for Housing \(BAH\) Rate Calculator," 2024.](#)

⁵¹ [Department of Veterans Affairs \(VA\), "VA Loan Foreclosure Rates," 2024.](#)

⁵² [Department of Veterans Affairs \(VA\), "VA Loan Foreclosure Rates," 2024.](#)

⁵³ [Department of Veterans Affairs \(VA\), "VA Loan Programs," 2024.](#)

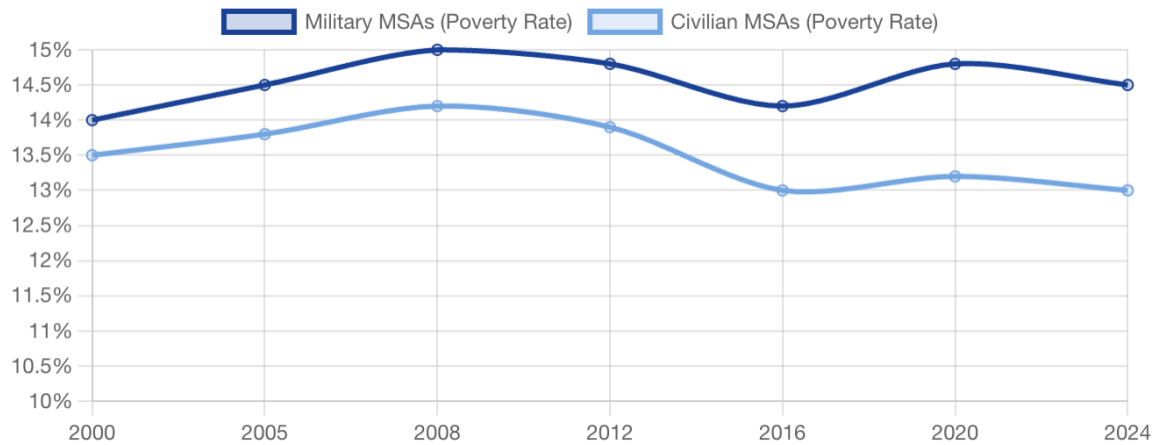
⁵⁴ [CBO, "How the Military's BAH compares with Civilian Housing Costs," 2024.](#)

⁵⁵ [U.S. Census Bureau, "Poverty in States and Metropolitan Areas: 2022," September 12, 2023.](#)

⁵⁶ [U.S. Census Bureau, "Poverty in States and Metropolitan Areas: 2022," September 12, 2023.](#)

Poverty Rate

The poverty rate line graph provides a clear look at a dual economy. Although overall rates are stable, the data shows how military MSAs have higher rates, which can be linked to the demographic profile of junior enlisted personnel.



This finding is a direct consequence of the demographic and economic structure of these communities. It is attributed to a high concentration of junior enlisted personnel with lower base pay, the challenges of spousal unemployment, and the fact that many bases are located in economically disadvantaged regions.^{57 58}

Similarly, military MSAs show a strong negative correlation with educational attainment ($r=-0.45$), indicating that they have markedly lower rates of college graduates.⁵⁹ The average percentage of adults with a bachelor's degree or higher is 28.4% in military MSAs compared to 31.6% in civilian MSAs.⁶⁰ This educational gap is a direct reflection of a pipeline where many young people choose military service over a four-year college degree.

According to the U.S. Bureau of Labor Statistics, median weekly earnings generally

⁵⁷ [U.S. Census Bureau, "Poverty in States and Metropolitan Areas: 2022," September 12, 2023.](#)

⁵⁸ [U.S. Census Bureau, "Poverty in States and Metropolitan Areas: 2022," September 12, 2023.](#)

⁵⁹ [U.S. Census Bureau, "Educational Attainment in the United States: 2022," American Community Survey.](#)

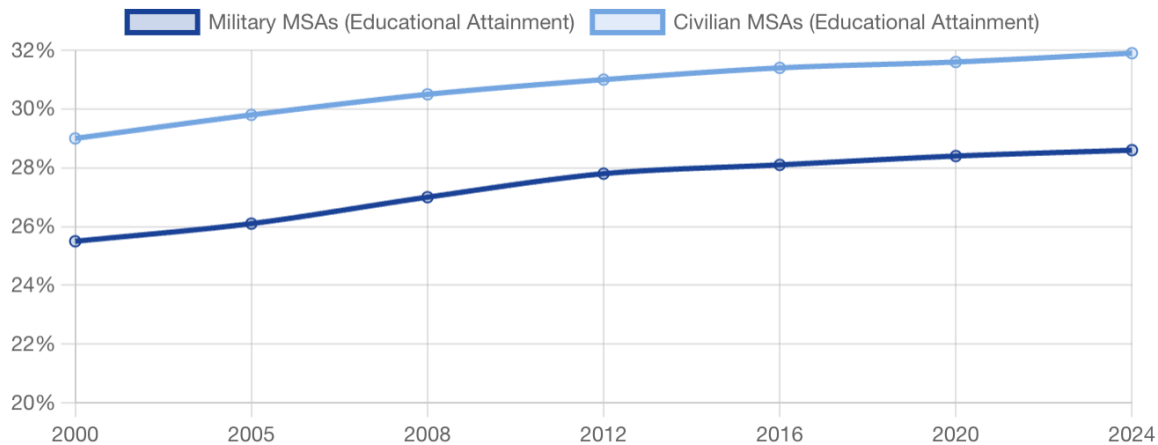
⁶⁰ [U.S. Census Bureau, "Educational Attainment in the United States: 2022," American Community Survey.](#)

increase with each successive level of formal education. In 2022, for example, workers with a high school diploma had median weekly earnings of \$853, while those with an associate's degree earned \$1,005, and those with a bachelor's degree earned \$1,432. While formal degrees generally lead to higher lifetime earnings, professional and technical certifications can offer a significant and rapid boost in income, especially for those without a college degree. Workers without a degree who have a certification or license can earn at least \$95 more in median weekly earnings than their non-certified counterparts. Additionally, trade schools and certification programs often have a lower cost and shorter completion time, which means graduates enter the workforce sooner with less debt, leading to a potentially higher **return on investment (ROI)** in the short to mid-term compared to a traditional four-year degree.

Areas with a high military population are often centers for **skilled technical workforce** training and employment. The military heavily invests in technical training for its members in a wide variety of fields like advanced manufacturing, cybersecurity, and aircraft maintenance. This creates a large pool of individuals with specialized, hands-on skills. Additionally, these areas are attractive to businesses, particularly those in defense contracting and other industries that need a workforce with specific technical expertise and often, security clearances. This dynamic creates a reciprocal relationship where military personnel, veterans, and their spouses can find high-demand, high-skill jobs, while local industries benefit from a steady supply of well-trained workers.

Educational Attainment

This line graph shows the percentage of adults with a bachelor's degree or higher. It highlights the trend where civilian MSAs consistently outperform military MSAs, reflecting different career pathways chosen by the local populations.



The coexistence of stable federal employment with higher poverty and lower educational attainment highlights the existence of a "dual economy." The stable military payroll provides a middle-class anchor, but it may not be enough to overcome the structural challenges in the broader civilian economy. This skill gap can limit a community's ability to diversify and attract high-tech or knowledge-based industries, creating a long-term vulnerability for communities that are overly reliant on the military presence.⁶¹ The case of Colorado Springs, with its high educational attainment (44.2% with a bachelor's degree or higher) and diversified defense and aerospace economy, serves as a crucial exception, demonstrating that it is possible for a military community to be both a national security hub and a prosperous, highly educated economy.^{62 63}

V. Synthesis, Unanswered Questions, and Directions for Future Research

⁶¹ [U.S. Census Bureau, "Educational Attainment in the United States: 2022," American Community Survey.](#)

⁶² [U.S. Census Bureau, "Educational Attainment in the United States: 2022," American Community Survey.](#)

⁶³ [U.S. Census Bureau, "Educational Attainment in the United States: 2022," American Community Survey.](#)

Synthesis of Findings

The comprehensive analysis presented in this report reveals that military communities are not defined by universal economic outperformance but by their unique and robust resilience. **The data overwhelmingly support the conclusion that these communities function as "defensive" economic anchors, providing unparalleled stability in the face of national economic uncertainty.** This stability is rooted in a unique combination of factors: consistent, non-cyclical federal spending that buffers against recessions⁶⁴, a constant flow of young, family-oriented populations through military rotations⁶⁵, and federal housing policies like BAH and VA loans that create a uniquely stable and predictable housing market.⁶⁶

This stability comes with a complex set of trade-offs. The demographic composition that drives employment and housing stability also contributes to lower average incomes and college level educational attainment, as well as higher poverty rates, when compared to civilian peers.^{67 68} This points to the existence of a dual economy where the federally-funded military presence may not be sufficient to address the structural economic challenges of the surrounding civilian community. **The key conclusion is that while military communities may not lead the nation in rapid growth or high-income metrics, their superior stability and resilience during downturns make them a compelling and unique economic model.**

Unanswered Questions and Areas for Further Study

The findings of this report provide a strong foundation for understanding the economic profile of military communities, but they also raise several critical questions that warrant further research.

- **BRAC Impact Analysis:** This study focused on communities with a stable military presence. A crucial area for future research would be a detailed analysis of the long-term economic effects of past Base Realignment and Closure (BRAC) rounds. While existing studies suggest mixed outcomes, a modern, in-depth analysis could provide more detailed "what-if" scenarios for highly dependent

⁶⁴ [U.S. Bureau of Economic Analysis \(BEA\), "Gross Domestic Product \(GDP\) by Metropolitan Area," 2024.](#)

⁶⁵ [U.S. Department of Defense, "Permanent Change of Station \(PCS\) Moves," 2024.](#)

⁶⁶ [U.S. Department of Veterans Affairs \(VA\), "VA Loan Programs," 2024.](#)

⁶⁷ [U.S. Census Bureau, "Poverty in States and Metropolitan Areas: 2022," September 12, 2023.](#)

⁶⁸ [U.S. Census Bureau, "Educational Attainment in the United States: 2022," American Community Survey.](#)

communities like Hinesville, GA, and provide guidance on how to mitigate the economic shock of a base closure.

- **Military-Civilian Integration:** The data reveal a significant gap in educational attainment and a challenge with military spouse employment. Future research could focus on identifying and evaluating policies that have been most successful in bridging this divide. This would include an examination of programs that help transitioning service members translate their military skills into civilian credentials and those that support spousal employment.
- **The "Dual Economy" Phenomenon:** To gain a more nuanced understanding of the socioeconomic challenges in military towns, future research could aim to quantify the economic and social effects of the "dual economy." This would involve a deeper look at the relationship between the stable military population and the lower-wage civilian population and how this dynamic affects everything from poverty rates to public services and crime.

These research directions are essential for transforming military communities from merely stable economies into truly thriving and resilient ones that can successfully integrate into the 21st-century knowledge economy while continuing to support the nation's defense priorities.

Appendix

To view the analysis in more detail for each MSA comparison along with the computations of the Pearson data, please go to the Economic Resilience of Military Communities, [Supplemental Economic Analysis: Detailed Comparison of Military vs. Civilian Metropolitan Statistical Areas](#) and the [Military vs. Civilian Chart Visuals Report](#).

Links to Raw Data:

The raw data tables and correlation calculations used for this report are provided in the accompanying Excel file, "[MSA_Military_vs_Civilian_Data.xlsx](#)."

AI Audit Results

The paper was audited using AI to verify that the sourcing and the data calculation were correct. You can read the audit [here](#).