

## Office of Economic Adjustment

### *Defense Industry Adjustment*

Just as changes have occurred in base structuring, so have changes occurred in weapon systems and platforms. For manufacturers, this may mean opening new plant facilities in one location or closing plant facilities in another. When workers are laid off in significant numbers over a short period of time, as a result of a change in Defense policy, OEA works with the community to respond to the adverse economic impact. OEA assists the community in developing an economic adjustment strategy and implementation plan. Unlike base closure where there is specific property that can be used to develop and generate new businesses and jobs, almost all defense industry adjustment strategies focus regionally on job creation through business development, attraction and expansion, workforce development and community economic diversification. Similar to base closure, OEA works with the community to identify an organization to assume responsibility and develop an adjustment strategy and action plan with OEA financial and technical assistance. During implementation of the action plan, OEA works with other Federal, state and local resources to coordinate the response in accordance with the approved strategy. Between 1988 and 1996 when defense procurement was cut nearly in half, OEA worked with over 50 states and local communities.