



DEPARTMENT OF DEFENSE

ECONOMIC DEVELOPMENT OPPORTUNITIES

Award spending for economic development activities is decreasing across the federal government. For example, award spending at Department of Commerce Economic Development Administration (EDA) is the lowest it has been in the last nine fiscal years (USA Spending).

Award spending for economic development activities is **increasing** at Department of Defense.

415,000

job openings in
manufacturing
in 2025

\$102,629

average annual earnings
for manufacturing
employees

44.3

median age for
manufacturing
workers

<20

EMPLOYEES

75% of manufacturing
firms have fewer than 20
employees

3.8

MILLION

new manufacturing
positions expected
by 2033

>55

YEARS OF AGE

25% of
manufacturing
workforce is over 55

For decades, DoD has funded economic development activities throughout our communities:

IBAS

Industrial Base Analysis and Sustainment program

Strengthens the Defense Industrial Base by addressing supply chain vulnerabilities and expanding domestic industrial capacity. Uses flexible contract authorities.

Six priority areas:

- Submarine and Shipbuilding Workforce
- Kinetic Weapons
- Microelectronics
- Critical Chemicals
- Castings and Forgings
- Energy Storage and Batteries

NIIS

National Imperative for Industrial Skills

Initiative under IBAS, launched in 2020. Aims to build a robust industrial skills workforce development ecosystem through a national public/private response.

Core elements:

- Addressing skills gap
- Economic competitiveness
- Technology adoption
- National security and supply chain resilience
- Education and training reform

MIIs

Manufacturing Innovation Institutes

Established in 2014 through the Revitalize American Manufacturing and Innovation Act. Currently 8 DoD MIIs that convene business, academia, and other stakeholders to:

- test applications of new technology,
- create new products,
- reduce cost and risk, and
- enable the manufacturing workforce with the skills of the future.



Defense manufacturing remains a “defining feature” of the U.S. economy, blending security imperatives with economic vitality.

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