

BUSINESS

CHAMBER CHAT

State will gain, not lose, from BRAC

While many Aquidneck Islanders let out a major sigh of relief with last year's announcement that Rhode Island would not be negatively impacted by the 2005 Base Realignment And Closure (BRAC) decisions, it is important to understand and value the Navy's role in our state and the many efforts underway to continue to protect and nurture this important national, state and local asset.

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The Navy and related defense industry sector is a major employer and has a significant economic impact in Rhode Island. The defense industry, including Naval Station Newport commands and the Rhode Island National Guard, provides employment to more than 16,000 people in the state. This sector has an estimated economic impact of approximately \$1.5 billion in payroll. On that basis, this industry generates in the range of \$53 million in state taxes and, in addition, principally through the Naval Undersea Warfare Center, is a major player in Rhode Island's high technology sector. In fact, Aquidneck Island's defense-related computer, engineering and management services companies represent 21 percent of Rhode Island's total employment in those fields.

To clearly understand the importance of the Rhode Island defense industry today, one must recognize the history of the Navy in the Ocean State. This history is traced back to the 18th century when Newport became a major American seaport, and the first Secretary of the Navy was Newport merchant William Vernon. The U.S. Naval Academy, previously located in Annapolis, Md., was moved to Newport during the Civil War, and by 1869 the Torpedo Station was established on Goat Island. Admiral Luce would establish the Naval War College on Coaster's Island in 1884.

During WWI and WWII, Newport would become the major U.S. training and torpedo research location, culminating after WWII in the Naval Training Station in Newport and the Naval Air Station and Construction Battalion in Quonset/Davisville. In 1973, under the Shore Realignment Plan, most of the ships and supportive shore serv-

ices were relocated to the South and the remaining Newport commands reorganized as the Naval Education Training Center, Naval Undersea Warfare Center and Naval War College. Today, these commands comprise much of the Navy's finest officer training, education and undersea research capabilities, employing thousands of military and civilian personnel, and supporting thousands more private-sector jobs through companies including Raytheon in Portsmouth and Electric Boat in Quonset Point.

During the 2005 BRAC process all Department of Defense operations and facilities were under intense review mandated by the Base Realignment and Closure Act by Congress. Every Department of Defense installation in the world was included in the BRAC analysis process, and therefore theoretically at risk, meaning that Naval Station Newport, NUWC and the National Guard were all in play. Key criteria in the evaluation process included intrinsic military value, ability to adapt to joint commands and operations, and cost efficiency of operation. Consequently, it was imperative for Rhode Island to assist the Navy in making its operations here as efficient and cost effective as possible in order to reinforce the case for their continued operation in the state.

By the end of 2005, the Federal BRAC Commission submitted to the president and Congress a list of those military operations, commands and facilities recommended for either realignment or closure. The BRAC Commission recommended a total of 182 base closures or realignments including 21 major base closures and seven base realignments. Over the next 20 years, the total savings from the commission's recommendations are estimated at \$35.6 billion.

Rhode Island was one of the few locations in the country that will gain military investments though the 2005 BRAC process. This decision made jointly by the defense department and BRAC Commission is a direct testament to the extraordinary work of the men and women who provide the superior work as active duty and defense related employees. Rhode Island also owes a great deal of debt to state and congressional elect-

ed officials who provided a leading effort in articulating and defending Rhode Island's military assets before the Department of Defense, BRAC Commission and Congress. In fact, while most media attention focused on the possibility that neighboring New England Navy bases might have been closed, very little attention was given to the fact that the major Rhode Island military commands were recommended for further support and expansion. This is a tribute to the leadership of Rhode Island elected officials including state Sen. Teresa Paiva Weed, state Rep. Gordon Fox, Gov. Donald L. Carcieri, U.S. Sens. Jack Reed and Lincoln Chafee, and U.S. Reps. Patrick Kennedy and Jim Langevin.

Here on Aquidneck Island, the post BRAC process will enable us the extraordinary opportunity to begin to move forward with a comprehensive redevelopment and acquisition plan to not only further enhance local military facility value, but also expand economic, transit and recreational opportunities for local citizens. The Aquidneck Island Planning Commission will lead this important effort though the implementation of the West Side Master Plan.

It is imperative to not rest on Rhode Island's success during BRAC 2005. The defense department and Navy will continue to be challenged to reduce costs while maintaining the highest levels of military efficiency. This will require Rhode Island lawmakers, community and industry leaders to continue to recognize the need to maintain military facility value, command readiness, workforce training and infrastructure upkeep. In so doing, we will directly improve the job security for all Rhode Islanders involved in the defense sector and strengthen the local companies, particularly on Aquidneck Island, who play such a vital role in our nation's defense and state's economy.

Keith W. Stokes is executive director of the Newport County Chamber of Commerce, which is providing a monthly column highlighting topics of importance to the local business community and economic and quality-of-life issues.

PROPERTY TRANSACTIONS

