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## Business

### Outlays for vets often hidden

**Impact in many forms:** Health care is one, but loans, research and even cemeteries account for spending.

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Like an outsider tucked into a military unit, spending on veterans is an "embed" in the overall economy.

Representing many tens of billions of dollars in transactions each year, that spending is part of a long-standing policy to compensate and care for those who have worn uniforms in the nation's service.

Like an embed, it blends in. But veteran-centered outlays have a distinct effect: Not only do they ease the financial burden for millions, they quietly nurture the private sector.

Take Marcelite Harris of Atlanta, who says service experience is actually well-suited to the entrepreneur and hopes to prove it with the help of a government loan program aimed at veterans.

"What a lot of people don't understand is that the military is really a business," said Harris, who retired from the Army in 1997 as a major general. "I get a budget. I have to operate within that budget. My product is units of war-fighting capability."

That military-business parallel will be tested in January when she and partner

## A SALUTE TO VETERANS

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David Branch, a retired lieutenant colonel, open a walk-in medical clinic on Piedmont Road in Buckhead. Plans call for a nine-person work force, including three doctors and three nurses, running two shifts every day.

The enterprise — which they hope someday will be a chain — is made possible by a \$225,000 loan by Sunrise Bank of Atlanta.

What lets the bank feel comfortable is the Small Business Administration's guarantee for this type of loan to veterans, said Charles Green, the bank's president.

"This is kind of like your rich Uncle Harry who endorses everybody's car loan," he said.

Harris and Branch may have been higher ranking than most, but their appetite for entrepreneurialism is not unique, Green said.

"The demand for this kind of loan has been immediate and very high," he said.

About 24.3 million men and women are U.S. veterans.

The agency charged with the lion's share of responsibility for taking care of them — the Department of Veterans Affairs — this year is spending \$82 billion, VA spokesman Jose Llamas said.

Georgia has more than 757,000 veterans, 12.8 percent of adult civilians, slightly above the national proportion, according to the Census Bureau. VA spending in the state comes to about \$2.1 billion a year.

In a \$14 trillion-a-year national economy — roughly \$411 billion of it in Georgia — veterans spending may seem like just a rounding error. But in the corners where it works hardest, the effect of spending on individuals, families and communities can be huge.

Proportional to Georgia's economy, veterans spending would support about 200,000 jobs.

# Veterans: Impact is quiet but strong on the economy

Even greater is the potential reach: roughly 70 million Americans are vets or relatives who could be eligible for benefits, according to the VA.

Yet the impact of the programs goes largely unnoticed unless something goes badly wrong. Most of the attention given the VA in recent years was pegged to long waits for help or run-down hospitals.

But the shadow economy perks along each day in a variety of ways: disability and pension payments are made, salaries are paid to employees from doctors to security staff. Veteran finances are eased by having health, mental care and sometimes housing provided.

And when veterans die, the National Cemetery Administration can provide burial.

A snapshot of veterans services in Georgia, according to the VA:

- Last year, nearly 12,000 patients were admitted to VA facilities; there were 1.1 million outpatient visits.
- Medical care through the VA to about 61,000 Georgians age 65 and older.
- About \$27 million in funds for medical research at VA centers.
- More than \$265 million for programs serving homeless veterans.
- The Marietta National Cemetery had 27 burials last year. Canton, one of the newest VA cemeteries, had 491 burials.

Veterans spending is, in many ways, a close relation to military spending in general, which has often been viewed as a boost to many regions.

Georgia, with a host of bases, gets its share.

The largest splash is almost certainly made by Fort Benning, whose various payrolls amount to roughly \$2.3 billion annually – including \$421.6 million in retired military pay, Benning spokesman Anthony C. O'Bryant said.

Combine contracts with salaries and the total exceeds \$4.3 billion a year, he said.

Pentagon-centered spending has ebbed and surged over the years, although it has been in expansion mode during the Bush administration.

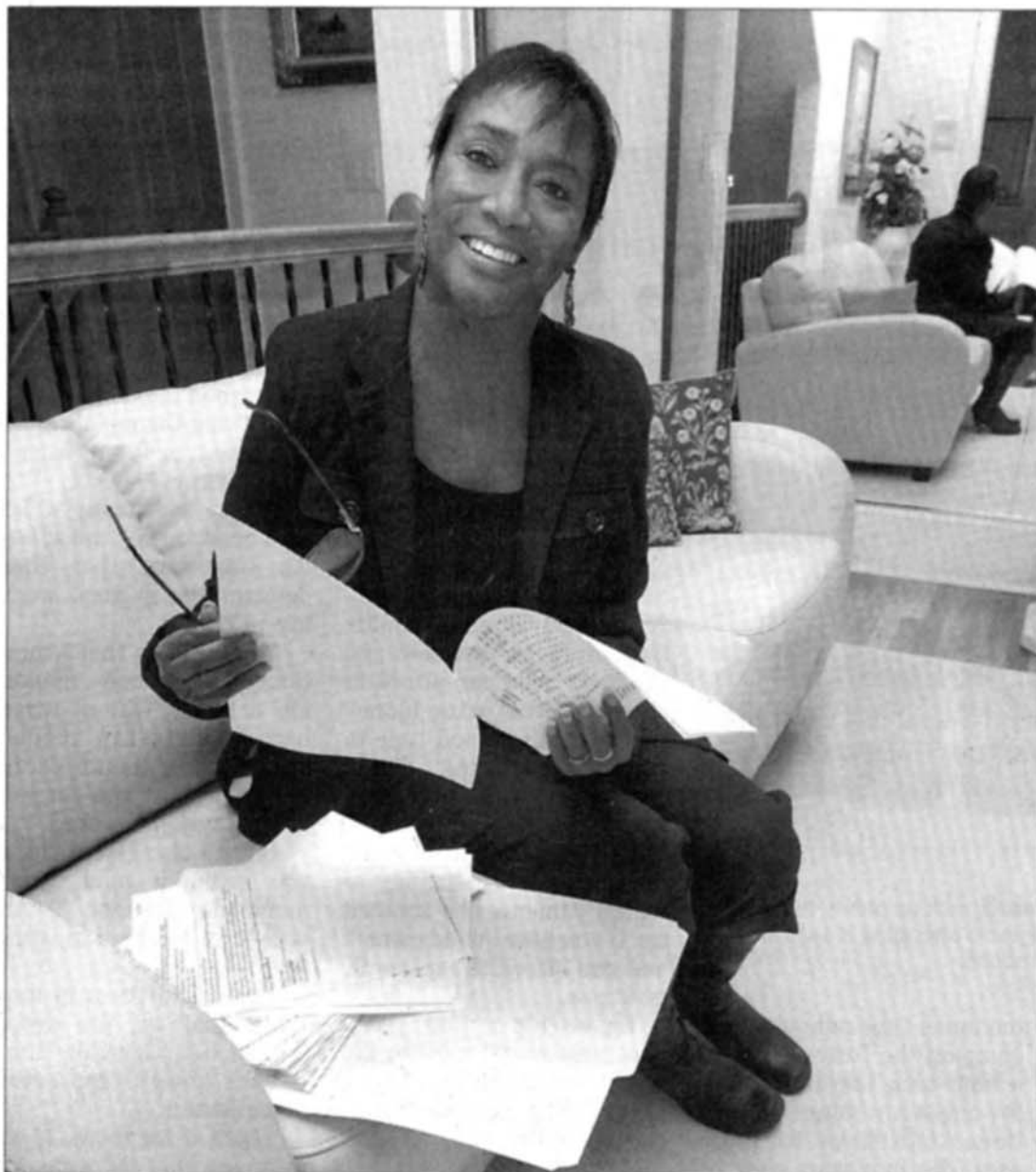
Whatever else Pentagon spending does, it adds to rolls of veterans for whom the nation is committed.

So do engagements overseas.

Projections call for medical care this year to cost \$692 million, disability compensation to run \$166 million and indemnity compensation to cost \$43 million for veterans of Iraq and Afghanistan, according to the Congressional Budget Office.

That total – \$901 million – will rise, but how much depends on the level of involvement in the Middle East in coming years.

In a decade, the CBO estimates those costs will be between \$1.1 billion and \$1.6 billion.



JOHNNY CRAWFORD / Staff

**Marcelite Harris**, who retired from the Army in 1997 as a major general, and a partner will open a walk-in medical clinic in January, thanks in part to a \$225,000 loan guaranteed for veterans.