

CONNECTICUT
Overview
ECONOMIC OVERVIEW

The state continues to struggle with the general slowdown in all sectors of the U.S. economy as well as the state's dependence on the defense industry created when programs were cut, the Soviet Union dissipated, and the era of defence and space industry ended that any state, including California.

The other industry dealing Connecticut an economic blow is the service sector, specifically the banking and insurance industries. The insurance industry, which made Connecticut the "insurance capital" of the world, is in a period of major readjustment. Companies are shedding policies and levels of management they can no longer afford. Insurance companies are also shedding businesses that do not fit their focus, or are pure profit areas.

Other service industries have fared no better. There currently is no major Connecticut bank after the purchase of CBT by Fleet (Providence). Commercial National Bank (Boston) and Union Trust by Chase Bank (New York).

The banking and insurance industries are responsible for the bulk of the 220,000 jobs lost over the last five years.

With an older and tighter workforce, the level of underemployment in Connecticut may be the highest in the Northeast.

For these and a number of other reasons, the general cost of doing business, Connecticut's population continues to decline from its 1990 population of 3,299,000. Connecticut, more than any other New England state, has seen the movement of jobs and businesses to other states and overseas. A number of these businesses have moved to other New England states.

Industrial Base & Economy of Commercial Electronics Industry

Connecticut

Maine

Massachusetts

New Hampshire

Rhode Island

Vermont

BUSINESS OVERVIEW

Connecticut went through a rapid growth in employment in the 1980's, with the building of defence systems and equipment. The state is second only to Massachusetts in New England in defence business, and over the last 20 years Connecticut has placed in the top four U.S. states.