

How Much Will the Defense Industry Make from a Missile Strike Against Syria?

By Ray Downs - September 11, 2013

Even as diplomats work on a <u>last-ditch effort</u> to get Syria to hand over its chemical weapons to international authorities, the US gearing up to do what it does best: bomb a distant country. At this moment, <u>six American warships</u> are sitting in the Mediterranean, loaded with hundreds of missiles waiting to attack Syria should they get the order. If the <u>complex, involved effort</u> to get Bashar al-Assad to give up his chemical weapons fails and Barack Obama gives the go-ahead for a "limited" strike against his regime, those ships will let fly with hundreds of missiles—and that means the Pentagon will have to replace those weapons by purchasing them from defense contractors like Raytheon, Boeing, and Northrop Grumman. How much is that going to cost?

To begin with, the US will likely want to target Syria's air force. To do that, according to a report by Christopher Harmer, a senior analyst at the Institute for the Study of War think tank, three types of missiles would likely be involved: Tomahawk Land Attack Missiles (TLAMs), Joint Air to Surface Standoff Missiles (JASSMs), and Joint Standoff Weapons (JSOWs).

Those kinds of missiles are a big part of what makes the US defense budget so massive. According to <u>DefenseNews</u>, the first few weeks of America's intervention in Libya cost about \$600 million, and more than half of that (\$340 million) was spent on replacing munitions, in particular the hundreds of Tomahawk missiles it unloaded on the North African country at \$1.4 million a pop. JASSMs and JSOWs are less expensive, but at about \$900,000 and \$285,000 apiece, respectively, they aren't exactly a bargain.

The number of missiles expended in an attack on Syria will depend on how many targets the US decides to bomb—potentially, it could be more extensive than the air strikes against Libya. A report about the potential costs and risks of striking Syria from the RAND Corporation, a government think tank, says "hundreds of sea- and air-launched cruise missiles" would be needed for an attack if the aim was to take out Assad's air force, and General Martin Dempsey, the Chairman of the Joint Chiefs of Staff, has written that the military could "strike hundreds of targets at a tempo of our choosing."

An attack on the scale that Dempsey describes would likely mean hundreds of millions in new revenue for defense contractors.

Two companies are primarily responsible for the manufacture of the missiles that would be used—Raytheon makes the Tomahawks and JSOWs, while Lockheed Martin makes the JASSMs. The past year has seen both companies win several contracts from the government.

In December, the Pentagon paid Raytheon \$254.6 million contract for some fresh Tomahawks, just six months after the company had gotten a \$337.8 million contract for yet more missiles. That's nearly \$600 million of government moolah in just the past 15 months, and with Tomahawks expected to be the weapon of choice in Syria, Raytheon could to turn even bigger profits.

In fact, there could be a permanent increase in Tomahawk orders, which would mean an even higher payday for the world's top missile manufacturer, <u>according to Politico</u>.

And then there's JSOWs. Raytheon's website <u>describes</u> JSOWs as "low-cost, air-to-ground weapons that employ an integrated GPS-inertial navigation system and terminal imaging infrared seeker." By "low-cost," the company means \$285,000 per missile. In July, the Pentagon wrote Raytheon a <u>\$80 million</u> check for more of the little guys; depending on their effectiveness, Raytheon will probably get another order for more next year.

In June of 2012, Lockheed Martin, proud maker of the <u>JASSM</u>, got <u>\$241 million</u> for 221 of the long-range missiles, which are "designed to destroy high-value, well-defended, fixed and relocatable targets," One year later, just before talk of intervening in Syria began in earnest, the Air Force said they needed a few more, paying Lockheed Martin <u>just under \$10 million</u> for more JASSMs.

The missiles cost more than their price tags would suggest. In addition to transporting the missiles and paying service members to maintain and deploy them, the military has to invest in the extensive and expensive tech support these weapons require. That could be the part of the reason that on August 28, one week after US intelligence claimed Assad's regime used Sarin gas on civilians, the Pentagon awarded a <u>one-year \$24.8 million contract</u> to Northrop Grumman to provide some military tech-support services, including handling "steering and scalable integrated bridge systems for guided missile destroyers."

I spoke with <u>James Jay Carafano</u>, the Vice President of Foreign and Defense Studies at the Heritage Foundation, a right-wing think tank, about what other kinds of weapons would be used in a conflict with Syria, and he said he expects a lot of cyber warfare, and also a lot of bombs.

"I think you could see some of the more exotic types of bombs used, such as microwave bombs that use electromagnetic pulses to take out electric grids and take computer systems offline," he said.

Microwave bombs, which are designed be nonlethal, have been in development for years; in October, after three-years-and-\$40 million worth of government funded-testing, Boeing announced it had successfully tested the Counter-electronics High-powered Microwave Advanced Missile Project (CHAMP), and the weapon was ready for use. In a press-release, Keith Coleman, the CHAMP program manager for Boeing Phantom Works, said, "In the near future, this technology may be used to render an enemy's electronic and data systems useless even before the first troops or aircraft arrive."

With a <u>chance</u> to use these weapons looming, the future could come sooner rather than later. And if these new weapons work the way they're supposed to, the result will undoubtedly be another lucrative contract for Boeing.

You may be wondering about the sequestration, the series of across-the-board cuts that began going into effect earlier this year—weren't those supposed to <u>slash the Pentagon's budget</u>, and by extension, the revenues of defense contractors? They were, but Christopher Preble of the Cato Institute, a libertarian-leaning think tank, tells me a war in Syria would be a way to get around the budget limitations.

"A war would qualify as an 'emergency,' which would allow the Pentagon to ask for supplemental funds if they wanted to," he said.

Actually, sequester or no sequester, the defense industry is going through a "blockbuster" financial quarter according to Todd Harrison, a senior fellow for at the Center for Strategic and Budgetary Assessments. In an <u>interview with Bloomberg</u>, he said layoffs combined with a steady flow of contracts has allowed top defense companies to take in the same amount of revenue while paying out less to workers.

So even if the US avoids bombing Syria—as of this writing it was still unclear if a deal to dispose of the regime's chemical weapons would be made—don't worry about the defense contractors. They'll do fine, and likely continue donating <u>large amounts</u> to candidates from both parties. And there will always be another war.