

Defense One

The False Promises of Trump's Arms Sales

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President Trump's love of arms sales is clear for all to see. On his first trip abroad as a public servant, the new president proudly announced a mammoth arms deal with Saudi Arabia, later crowing that the deal would lead to one million new American jobs. Last July, his administration released a new Conventional Arms Transfer policy that aims to streamline and supercharge arms exports through a whole-of-government strategy. The results so far, according to figures from a new report from the Security Assistance Monitor, have been \$82.2 billion in arms sales in 2017 and another \$78 billion in 2018.

Unfortunately, Trump's promises about the benefits of arms sales are mostly empty, while the dangers are all too real.

Advocates of arms exports have long argued that such sales are critical for promoting regional stability in trouble spots around the world. But American arms exports to the Middle East are doing the exact opposite. Arms export data from the Stockholm International Peace Research Institute show that the U.S. share of arms sales to the Middle East has steadily increased over the past 15 years, yet with conflicts in Syria, Yemen, and throughout North Africa, the region is as unstable as ever. American arms sales to Saudi Arabia and the United Arab Emirates have already enabled those nations to carry out a bloody and catastrophic war in Yemen, which has killed thousands of civilians, displaced most of the population, and put millions more at risk of starvation and disease. By continuing to sell weapons to Saudi Arabia even after attempts in the U.S. Senate to halt them, the Trump administration will encourage more Saudi intervention, further destabilizing the region.

And though presidents tout export of arms as a good way to strengthen allies, the truth is that the United States doesn't just sell weapons to responsible nations such as Italy, the United Kingdom, and Belgium. Vast amounts of U.S. weapons are shipped to risky customers: fragile states like Turkey, nations embroiled in conflicts like Saudi Arabia, and oppressive governments with horrendous human rights records like Egypt, Bahrain, and the United Arab Emirates. Since 2001, the U.S. government has notified the public of arms sales totaling over \$560 billion to 167 countries. Each of these sales adds a varying degree of risk to the United States regarding potential blowback, entanglement, dispersion, and increasing instability throughout the world.

Finally, Trump's claims about the economic benefits of arms sales ring the hollowest of all. For starters, not only won't arms sales create a million new American jobs, but a great number of the jobs created by arms sales will go to citizens of the purchasing nations. As the Security Assistance Monitor report notes, the number of licenses granted to weapons manufacturers outside the United States doubled from 2017 to 2018. As a result, more than one-quarter of

all U.S. arms “sales” last year were deals to permit the manufacturing of U.S.-designed weapons under license — that is, they created jobs in other nations instead of the United States. The report also finds that the Trump administration has sharply increased the number of deals in which foreign countries produce U.S.-developed weaponry under coproduction agreements, further reducing the number of U.S. jobs tied to arms sales.

Weakening the economic rationale even further is the fact that in order to seal major deals, American defense contractors have to offer massive discounts, or offsets, to the purchasing nations in the form of coproduction arrangements or technology transfer. In 2014, for example, these offsets equaled roughly one-third of the value of total U.S. arms sales. These offsets mean not only that American arms sales are less profitable than they appear on paper, but also that they lead to fewer jobs created in the United States than many, including the president, would like to think. Trump’s big Saudi arms deal, for example, would likely lead to somewhere between 20,000 and 40,000 jobs, or less than two-tenths of one percent of the American labor market.

The unpleasant truth is that the underwhelming economic benefits cannot justify Washington’s love of arms sales. Arms sales simply do not benefit the U.S. economy nearly as much as Trump likes to claim. Meanwhile, a large percentage of American arms sales goes to countries with horrible human rights records, to nations where arms are at risk of finding their way into the wrong hands, and to nations embroiled in dangerous and destabilizing conflicts. Given this, it is long past time to rethink American arms sales policy.

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