



The President Shouldn't Act as an Arms Dealer to the Saudis

Veronique de Rugy

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In May 2017, President Donald Trump visited Saudi Arabia to finalize a massive \$110 billion sale of "American-made" weapons. The deal was part of his America First initiative. "That was a tremendous day," Trump said. "Hundreds of billions of dollars of investments into the United States and jobs, jobs, jobs."

The Trump administration hopes to expand this effort via arms export deregulation. "We want to see those guys, the commercial and military attachés, unfettered to be salesmen for this stuff, to be promoters," a senior administration official told Reuters.

Every president promotes the sale of U.S. weapons. But Trump's push is especially vigorous and is based on a misleading claim that increased sales will create thousands of jobs in the United States. The truth, however, is that the jobs generated from selling weapons won't be U.S. jobs but Saudi ones. As William Hartung, director of the Arms and Security Project at the Center for International Policy, explains, "This will be no different than with the F-35 program, where final assembly of aircraft sold to Europe and Asia will occur in Italy and Japan, respectively."

Nevertheless, defense contractors in the U.S. will make a literal and figurative killing. Not counting this Saudi deal, the U.S. has sold close to \$200 billion in arms since 2002. We are the top provider in the global weapons market, responsible for a third of total worldwide arms exports, according to the Stockholm International Peace Research Institute (SIPRI).

Many think American arms dominance is not just a source of revenue but important to our geopolitical hegemony. According to this view, losing our supremacy would jeopardize our security and reduce U.S. gross domestic product. But this theory was challenged and debunked by George Mason University economists Christopher Coyne and Abigail Hall in a 2013 working paper. Their main takeaway was that the risk of negative foreign policy consequences, such as powerful U.S. weapons being used to kill large numbers of civilians abroad, far outweigh any economic benefits.

As SIPRI explains, "The USA delivered major weapons to at least 96 states in 2011–15, a significantly higher number of export destinations than any other supplier." How do we assess whether all of these countries are safe bets? A recent study by the Cato Institute provides compelling evidence that the U.S. is actually quite careless about whom it sells to. Authors A. Trevor Thrall and Caroline Dorminey produced an index of the overall riskiness of arms trade deals since 2002 that shows the United States does not discriminate between high- and low-risk customers. "The average sales to the riskiest nations are higher than those to the least risky nations," they write. "The 22 countries coded as 'highest risk' on the Global Terrorism Index bought an average of \$1.91 billion worth of American weapons. The 28 countries in active, high-level conflicts bought an average of \$2.94 billion worth of arms."

Selling weapons to unstable states is dangerous, but so is selling to countries like Saudi Arabia, the leading buyer of American arms according to SIPRI. The precision-guided munitions the Saudis purchased from the U.S., for example, have been used to kill hundreds of civilians in Yemen. For the sake of enriching military contractors and paying lip service to "Made in America," we too often enable autocrats to commit murder. And as Cato's risk assessment demonstrates, we're also arguably sowing seeds of destabilization and conflict.

The inherent cronyism is problematic as well. "The business of buying weapons that takes place in the Pentagon is a corrupt business," retired Air Force Col. James Burton wrote in his 1993 book *The Pentagon Wars*, "ethically and morally corrupt from top to bottom. The process is dominated by advocacy, with few if any checks and balances." As Thrall and Dorminey report, banking on arms sales inevitably means offering long-term subsidies to private companies. That taxpayer money could be put to much better use.