

Arms Dealers and Lobbyists Get Rich as Yemen Burns

By Barbara Boland

Global Research, June 26, 2019

The American Conservative 25 June 2019

Region: Middle East & North Africa

Theme: Law and Justice, Militarization and

WMD

Chronic human rights violator Saudi Arabia is using American-made weapons against civilians in the fifth-poorest nation in the world, Yemen. And make no mistake: U.S. defense contractors and their lobbyists and supporters in government are getting rich in the process.

"Our role is not to make policy, our role is to comply with it," John Harris, CEO of defense contractor Raytheon International, <u>said</u> to CNBC in February.

But his statement vastly understates the role that defense contractors and lobbyists play in Washington's halls of power, where their influence on policy directly impacts their bottom lines.

Since 2015, Saudi Arabia and the United Arab Emirates have waged war against Yemen, killing and injuring thousands of Yemeni civilians. An estimated 90,000 people have been killed, according to one international tracker. By December 2017, the number of cholera cases in Yemen had surged past one million, the largest such outbreak in modern history. An estimated 113,000 children have died since April 2018 from war-related starvation and disease. The United Nations calls the situation in Yemen the largest humanitarian crisis on earth, as over 14 million face starvation.

The majority of the 6,872 Yemeni civilians killed and 10,768 wounded have been victims of Saudi-led coalition airstrikes, according to the Office of the United Nations High Commissioner for Human Rights (OHCHR). Nearly 90 coalition airstrikes have hit homes, schools, markets, hospitals, and mosques since 2015, according to Human Rights Watch. In 2018, the coalition bombed a wedding, killing 22 people, including eight children. Another strike hit a bus, killing at least 26 children.

American-origin munitions produced by companies like Lockheed Martin, Boeing, General Dynamics, and Raytheon were identified at the site of over two dozen attacks throughout Yemen. Indeed, the United States is the single largest arms supplier to the Middle East and has been for decades, according to a report by the Congressional Research Service.

From 2014 to 2018, the United States supplied 68 percent of Saudi Arabia's arms imports, 64 percent of the UAE's imports, and 65 percent of Qatar's imports. Some of this weaponry was subsequently stolen or sold to <u>al-Qaeda linked groups in the Arabian Peninsula</u>, where they could be used against the U.S. military, according to <u>reports</u>.

The Saudi use of <u>U.S.-made jets</u>, <u>bombs</u>, <u>and missiles</u> against Yemeni civilian centers constitutes a war crime. It was an American laser-guided <u>MK-82 bomb</u> that killed the

children on the bus; Raytheon's technology killed the 22 people attending the wedding in 2018 as well as a family traveling in their car; and another American-made MK-82 bomb ended the lives of at least 80 men, women, and children in a Yemeni marketplace in March 2016.

Yet American defense contractors continue to spend millions of dollars to lobby Washington to maintain the flow of arms to these countries.

"Companies like Lockheed Martin, Raytheon, Boeing, and other defense contractors see countries like Saudi Arabia and the UAE as huge potential markets," Stephen Miles, director of Win Without War, told TAC. "They see them as massive opportunities to make a lot of money; that's why they're investing billions and billions of dollars. This is a huge revenue stream to these companies."

Boeing, Raytheon, and General Dynamics have all highlighted business with Saudi Arabia in their shareholder reports.

"Operations and maintenance have become a very profitable niche market for U.S. corporations," said Richard Aboulafia, a vice president at Teal Group.

He added that defense contractors can make as much as 150 percent more profit off of operations and maintenance than from the original arms sale. U.S. weapons supply 57 percent of the military aircraft used by the Royal Saudi Air Force, and mechanics and technicians hired by American companies repair and maintain their fighter jets and helicopters.

In 2018 alone, the United States made \$4.5 billion worth of arms deals to <u>Saudi Arabia</u> and \$1.2 billion to the <u>United Arab Emirates</u>, a report by William Hartung and Christina Arabia found.

From the report:

"Lockheed Martin...was involved in deals worth \$25 billion; Boeing, \$7.1 billion in deals; Raytheon, \$5.5 billion in deals; Northrop Grumman had one deal worth \$2.5 billion; and BAE systems...had a \$1.3 billion deal."

"Because of the nature of U.S. arms control law, most of these sales have to get government approval, and we've absolutely seen lobbyists weighing in heavily on this," Miles said. "The last time I saw the numbers, the arms industry had nearly 1,000 registered lobbyists. They're not on the Hill lobbying Congress about how many schools we should open next year. They're lobbying for defense contractors. The past 18 years of endless wars have been incredibly lucrative for the arms industry, and they have a vested industry in seeing these wars continue, and not curtailing the cash cow that...has been for them."

The defense industry <u>spent</u> \$125 million on lobbying in 2018. Of that, Boeing <u>spent</u> \$15 <u>million</u> on lobbyists, Lockheed Martin spent <u>\$13.2 million</u>, General Dynamics <u>\$11.9 million</u>, and Raytheon <u>\$4.4 million</u>, according to the Lobbying Disclosure Act website.

Writes Ben Freeman:

According to a new report...firms registered under the Foreign Agents Registration Act have reported receiving more than \$40 million from Saudi Arabia in 2017 and 2018. Saudi lobbyists and public relations professionals have contacted Congress, the executive branch, media outlets and think tanks more than 4,000 times. Much of this work has been focused on ensuring that sales of U.S. arms to Saudi Arabia continue unabated and blocking congressional actions that would end U.S. support for the Saudi-led coalition in Yemen. ...

Lobbyists, lawyers and public relations firms working for the Saudis have also reported doling out more than \$4.5 million in campaign contributions in the past two years, including at least \$6,000 to Trump. In many cases, these contributions have gone to members of Congress they've contacted regarding the Yemen war. In fact, some contributions have gone to members of Congress on the exact same day they were contacted by Saudi lobbyists, and some were made to key members just before, and even on the day of, important Yemen votes.

Over a dozen lobbying firms employed by defense contractors have also been working on behalf of the Saudi or Emiratis, efficiently lobbying for both the arms buyers and sellers in one fell swoop. One of these lobbying firms, the McKeon Group, led by former Republican congressman and chairman of the House Armed Services Committee Howard McKeon, represents both Saudi Arabia and the American defense contractors Lockheed Martin, Northrop Grumman, Orbital ATK, MBDA, and L3 Technologies. Lockheed Martin and Northrup Grumman are the biggest suppliers of arms to Saudi Arabia. In 2018, the McKeon Group took \$1,697,000 from 10 defense contractors "to, among other objectives, continue the flow of arms to Saudi Arabia," reports National Memo.

Freeman <u>details</u> multiple examples where lobbyists working on behalf of the Saudis met with a senator's staff and then made a substantial contribution to that senator's campaign within days of a key vote to keep the United States in the Yemen war.

American Defense International (ADI) represents the United Arab Emirates, Saudi Arabia's coalition partner in the war against Yemen, as well as <u>several</u> American defense contractors, including General Dynamics, Northrup Grumman, Raytheon, L3 Technologies, and General Atomics.

Not to be outdone by the McKeon Group, ADI's lobbyists have also aggressively pursued possible swing votes in the U.S. Senate for the hefty sum of \$45,000 a month, paid for by the <u>UAE</u>. ADI lobbyists discussed the "situation in Yemen" and the "Paveway sale to the UAE," the same bomb used in the deadly wedding strike, with the office of Senator Martin Heinrich, a member of the Armed Services Committee, according to FARA reports. ADI's lobbyists also <u>met</u> with Congressman Steve Scalise's legislative director to advise his office to vote against the congressional resolution on Yemen. For their lobbying, Raytheon paid ADI \$120,000 in 2018.

In addition to the overt influence exercised by lobbyists for the defense industry, many former arms industry executives are embedded in influential posts throughout the Trump administration: from former Airbus, Huntington Ingalls, and Raytheon lobbyist Charles Faulkner at the State Department, who <u>pushed Mike Pompeo to support arms sales in the</u>

<u>Yemen war</u>; to former Boeing executive and erstwhile head of the Department of Defense Patrick Shanahan; to his interim replacement Mark Esper, secretary of the Army and another former lobbyist for Raytheon.

The war in Yemen has been good for American defense contractors' bottom lines. Since the conflict began, General Dynamics' stock price has risen from about \$135 to \$169 per share, Raytheon's from about \$108 to more than \$180, and Boeing's from about \$150 to \$360, according to *In These Times*. Their analysis found that those four companies have had at least \$30.1 billion in Saudi military contracts approved by the State Department over the last 10 years.

In April, President Donald Trump vetoed a resolution that would have ended American support for the Saudi-UAE coalition war against Yemen. Such efforts have failed to meet the 60-vote veto-proof threshold needed in the Senate.

There are a few senators who didn't vote for the War Powers resolution "that will probably vote for the Raytheon sales," Brittany Benowitz, a lawyer and former adviser to a member of the Senate Foreign Relations Committee, told *TAC*. "I think you'll continue to see horrific bombings and as the famine rages on, people will start to ask, 'Why are we a part of this war?' Unfortunately, I don't think that will start to happen anytime soon."

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Barbara Boland is TAC's foreign policy and national security reporter. Follow her on <u>Twitter</u> @BBatDC

Featured image: <u>360b/Shutterstock By Fabian Res /Flickr</u>; F-16 drops MK82 bombs (USAF photo); Child victim of attack in which MK82 bomb built by Lockheed Martin was dropped on his school bus Aug. 9, 2018. (VOA/Screengrab)

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