

# Pentagon Contractor Profits Rise —Along With Casualties

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Global Research, May 24, 2010

24 May 2010

Theme: [US NATO War Agenda](#)

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The fighting in Afghanistan this week has resulted in the deaths of Canadian Colonel Geoff Parker, 42, of Oakville, Ontario, and U.S. Colonel John McHugh, 46, of W. Caldwell, New Jersey. It also claimed the lives of Lieutenant Colonels Paul Bartz, 43, of Waterloo, Wis., and Thomas Belkofer, 44, of Perrysburg, Ohio. Other fatalities were Staff Sgt. Richard Tieman, 28, of Waynesboro, Pa., and Specialist Joshua Tomlinson, 24, of Dubberly, La.

The four officers were killed in Kabul, The New York Times reported May 21, when “A suicide bomber in a minibus drove into their convoy (of armored sports utility vehicles), killing the four officers, two other American servicemen and 12 Afghan civilians in a passing bus.” The total number of U.S. service member deaths since the U.S. invaded Afghanistan eight years ago now stands at 1,064. The number of contractors killed in the fighting has been put at around 300. And in 2008 alone it is estimated that nearly 4,000 Afghan civilians perished.

This writer deeply regrets each and every one of those deaths, especially those of the 12 innocent Afghan civilians this week. They likely would all be alive today if President George W. Bush had not chosen to invade a country that never attacked America and which the U.S. oil industry has long coveted for a pipeline route. They would be alive if President Barack Obama had withdrawn U.S. troops. Instead, he has escalated the conflict and increased “defense” spending to a record \$708 billion for fiscal 2011—a step which will only make the U.S. military-industrial complex(MIC) more powerful. For those associated with MIC, however, “defense” spending means jobs and prosperity.

On the other side of the world from Afghanistan, in the lovely town of Broken Arrow, Okla., defense contractor L-3 opened a new facility last November because since 2001 it has “almost tripled annual bookings and annual sales,” according to local company vice president Greg Campbell. Its employment of area residents has grown steadily to 100, an increase of 30 in the past five years.

The Broken Arrow plant is a division of L-3 Communications Holdings Inc., one of the nation’s top 7 defense contractors, and which AP says last month reported an 11 percent rise in first-quarter earnings. It earned profits of \$219 million on revenue of \$3.62 billion, owing to the Pentagon’s need for airborne and network communications.

People in Broken Arrow likely will tell you they are proud to be contributing to the “defense” of the United States. And besides, there are no suicide bombings on Vancouver Street. You’d hardly know there was a war on.

At Northrop Grumman, the nation’s third largest defense contractor, first quarter 2010

profits rose 21 per cent to \$469 million, “bolstered by sales of unmanned aircraft,” The Los Angeles Times reported. It quoted CEO Wesley Bush as saying, “We continue to see growth in our manned and unmanned programs,” the latter a reference to robotic spy planes. In Redondo Beach, El Segundo and Palmdale, where its plants are located, the war in Afghanistan indeed must seem a very long way off. Northrop plans to relocate its headquarters to Northern Virginia, to be closer to the Pentagon.

At Pentagon contractor General Dynamics, in Falls Church, Va., first quarter profits this year increased to \$599 million on revenues of \$7.75 billion. Last April 28th the firm reported “Significant orders received include contracts valued at \$845 million for construction of two additional T-AKE combat-logistics ships and \$115 million for constructional materials for an additional DDG-51 destroyer for the U.S. Navy, and \$515 million for Stryker vehicle production and support for the U.S. Army.”

You may wonder why the U.S. Navy, with a fleet tonnage larger than the next 13 navies of the world combined, needs more destroyers, when it already has 55. Anyway, GD looks to be on track for profits of \$2 billion this year from money contributed by taxpayers that can’t afford to hire schoolteachers. “Battered by recession,” The New York Times reported May 20th, “Applicants Far Outpace Openings” and “teachers are facing the worst job market since the Great Depression.” Prospects are so grim that 150,000 teachers nationwide “could lose their jobs next year.”

At Raytheon Co., of Waltham, Mass., higher sales of Patriot missiles pushed first quarter profits ahead of analysts’ estimates on sales of \$6 billion. The Integrated Defense Systems Unit, the firm’s largest, “was aided by sales of Patriot missiles and an initial order from the U.S. Navy for the third ship in the Zumwalt class of destroyers,” Bloomberg reported April 22nd.

As for Bethesda, Md.-based Lockheed Martin, it had first quarter net earnings of \$547 million from \$10.6 billion in sales, an increase that Chairman and CEO Bob Stevens called “a solid start for 2010.” Not a little of this bounty is due to Pentagon purchases, which account for 70 percent of LM sales. According to one account, the firm employs 140,000 world-wide, many engaged in the production of fighter jets and missiles. Elsewhere, among the leading contractors, Chief Executive Dave Lesar of Halliburton is quoted by Reuters as predicting there will be plenty of work to do in Iraq. Reuters also reported that defense contractor Boeing’s first quarter profits beat expectations.

At the same time President Obama has stepped up military spending to the point where it is absorbing 52 cents out of every tax dollar, the nation’s vital needs are being ignored. It needs to spend \$1.6 trillion to bring its current infrastructure to an acceptable level, according to figures from the American Society of Engineers cited by Sen. Chris Dodd (D-Conn.) at a public hearing two years ago. At the time, Dodd said, “As we face the prospect of significant long-term budget deficits, a weakening economy, decreasing tax revenue, and increasing unemployment, it is clear that the current ways by which we invest in our nation’s infrastructure have become as obsolete as many of our infrastructure systems themselves.” Yes, indeed. But there aren’t enough tax dollars left when the Defense Department is spending more money for war annually than all 50 states spend for the health, education, and welfare of their citizens—about \$628 billion—or \$80 billion a year less than what the Pentagon spends for war.

It’s long past time for the American people to demand an end to the killing and the needless

sacrifice of their military personnel in the Middle East. As well, the money the Pentagon is wasting on destruction could be far better spent at home, stimulating employment and prosperity and teaching our children.

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