

**WILLIAM D.  
HARTUNG AND  
ELIAS YOUSIF**  
Security Assistance  
Monitor



**U.S. ARMS  
SALES TRENDS**

**2020 AND BEYOND  
FROM TRUMP TO BIDEN**



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## About the Center for International Policy

The Center for International Policy (CIP) is an independent nonprofit center for research, public education and advocacy on U.S. foreign policy. CIP works to make a peaceful, just and sustainable world the central pursuit of U.S. foreign policy. CIP's programs offer common sense solutions to address the most urgent threats to our planet: war, corruption, inequality and climate change. CIP's scholars, researchers, journalists, analysts and former government officials provide a unique mixture of issue-area expertise, access to high-level officials, media savvy and strategic vision. The Center was founded in 1975, in the wake of the Vietnam War, by former diplomats and peace activists who sought to reorient U.S. foreign policy to advance international cooperation as the primary vehicle for solving global challenges and promoting human rights. Today CIP brings diverse voices to bear on key foreign policy decisions and makes the evidence-based case for why and how the United States must redefine the concept of national security in the 21st century, and adopt greater cooperation, transparency and accountability in the international relations of the United States.

## About Security Assistance Monitor

The Security Assistance Monitor (SAM) is a program of the Center for International Policy focused on enhancing transparency and oversight of U.S. foreign security aid and arms sales. By providing comprehensive U.S. security assistance data and by conducting independent, data-driven research, we seek to inform and elevate the debate among civil society, journalists, scholars, and policy makers in the United States and abroad about the risks and best uses of U.S. security assistance to improve human security.

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*Cover image: "President Trump, First Lady Melania Trump, President Duda, and Mrs. Kornhauser-Duda Watch an F-35 Flyover" by Trump White House Archived/Flickr*

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## SUMMARY OF FINDINGS AND RECOMMENDATIONS

After an unprecedented increase in Foreign Military Sales (FMS) in the final year of the Trump administration, the early months of the Biden administration suggest a change of course may be underway in deciding which nations receive U.S. weaponry – a change that could elevate human rights, observation of international humanitarian law (IHL), and long-term strategic concerns over narrow economic considerations. This report will explore this issue in the context of trends in U.S. arms sales in 2020 and early arms sales-related pronouncements of the Biden administration.

- There was a massive surge in FMS in 2020, to \$110.9 billion.<sup>1</sup> This number was 59% higher than the figure for FMS in 2019—and one of the highest figures ever for that category of sales. This report focuses primarily on FMS—as opposed to Direct Commercial Sales (DCS) licensed by the State Department—because only limited DCS data was available for 2020. But as the largest category of sales, FMS data offers a reliable gauge of trends from year to year.
- The contrast between U.S. arms sales in 2020 and prior years is stark. Measured by offers under the FMS program—the only measure for which full statistics are available—there was an average of \$63 billion in FMS sales per year in the first three years of the Trump administration, versus \$61.5 billion per year under Obama, in 2019 dollars. In 2020, FMS offers reached \$109.4 billion – adjusted for inflation – nearly 75% more than the average annual figures during the Obama administration and the first three years of the Trump administration.
- The key question for 2021 and beyond is the degree to which the Biden administration will prioritize human rights, humanitarian impacts, and long-term strategic considerations over industry concerns in crafting its arms transfer policies. There are already signs that the administration may be setting a new course, most notably in its pledge to end support for offensive operations in Yemen along with relevant arms sales, and its proposed review of pending sales to Saudi Arabia and the UAE to ensure that they align with broader U.S. foreign policy interests. Nevertheless, there are signs the Biden administration might otherwise stay the course on major arms sales. Such was the case in a February 16 decision to approve the sale of Rolling Airframe Missiles (RAM) Block 2 Tactical Missiles to Egypt, despite serious human rights concerns.

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<sup>1</sup> This is a conservative figure. It eliminates cases in which two different systems were offered to a country, only one of which will be purchased – like F-18s and F-35s to Finland and Switzerland. In cases where two systems were offered, the value of the smaller package is included in tallying total FMS offers.

- Building on its opposition to arms sales to Saudi Arabia for use in Riyadh's war in Yemen, Congress has introduced a series of bills aimed at elevating concern for human rights and international humanitarian law (IHL) in deciding which nations should be eligible to receive U.S. weaponry.
- The top five recipients of U.S. arms sales offers in 2020 by dollar value were the United Arab Emirates (\$24.1 billion), Japan (\$23.2 billion), Finland (\$12.5 billion), Switzerland (\$8.8 billion), and Taiwan (\$5.9 billion). The largest sales by value were for major combat aircraft, most notably for the F-35 Joint Strike Fighter. The Finnish and Swiss received offers for either F-35s or F-18s, only one of which will eventually be completed in each case. To avoid over-counting, the analysis for this report includes only the value of the smaller sales offer, which in both cases was for F-35s.
- The Middle East and North Africa was the top region for U.S. arms offers in 2020, increasing from \$25.5 billion in 2019 to \$39.7 billion in 2020, for a 35.8% share of total U.S. offers. Offers to East Asia and the Pacific grew from \$27.2 billion in 2019 to \$38.4 billion in 2020, for a 34.6% share of total U.S. sales. Europe and Eurasia's arms offers from the U.S. more than doubled from \$11.9 billion in 2019 to \$27.9 billion in 2020, for a 25.2% share of total U.S. arms offers for 2020. Offers to the Western Hemisphere and South and Central Asia were 2.4% and 2.2% of total U.S. sales respectively.
- Available data on firearms dropped precipitously in 2020, making impossible any comparison to past years. Including the limited information available regarding DCS for 2019, notifications were received for 29 deals among 15 countries, totaling at least \$471 million. In 2020, DCS data was only available for the first three months of the year. During these months, there were five deals to five countries with a threshold value of \$5 million (i.e., the deals were reported in a range of values, with the low end of the range at \$1 million each). All firearms offers for both years were under the DCS program. The year 2020 marked the transfer of jurisdiction of many U.S. firearms exports from the Department of State to the Department of Commerce. Jurisdiction under the Department of Commerce has diminished human rights vetting and tracking of end users, thereby increasing the risk that U.S.-supplied firearms could end up in the hands of terrorists, drug cartels, criminal gangs, and other major human rights abusers.
- The Trump administration routinely exaggerated the number of U.S. jobs associated with overseas arms sales. Most egregious was the case of Saudi Arabia, where the president claimed hundreds of thousands of jobs tied to Saudi sales, when the real figure was 10 to 20 times less. Overall, arms transfers account for less than one-tenth of one percent of U.S. employment. Notably, this figure does not fully account

for overseas production of components of U.S. systems under offset and coproduction agreements, which further reduce the domestic jobs tied to overseas sales. In essence, the economic impacts of overseas arms sales are primarily of import to one industry – and a number of major contractors within that industry – rather than the economy as a whole.

- A handful of companies—Lockheed Martin, Boeing, and Raytheon Technologies—were the main beneficiaries of U.S. arms deals in 2020. The three firms taken together were the primary suppliers in deals worth \$87 billion, more than three-quarters of the value of U.S. arms offers for 2020. Systems driving this trend included sales of F-35 combat aircraft, Apache attack helicopters, precision guided munitions, and tactical missiles. Not all of the revenues from these deals accrued to these companies, but their role as primary suppliers underscores the degree to which they profit from foreign arms sales. Half of all FMS deals for 2020 measured by dollar value were for offers of Lockheed Martin F-35s to just five countries: Japan, Finland, the UAE, Switzerland, and Singapore.

## RECOMMENDATIONS:

The Biden administration can and should take the following steps to improve oversight of arms transfers and decrease the potential for their misuse and abuse:

- Expand the administration's review of pending arms transfers to include scrutiny of all planned transfers prior to delivery, to account for the overwhelming number of newly approved sales and transfers over the last year;
- Develop and release a new conventional arms sales policy directive that prioritizes human rights and international humanitarian law (IHL) and alignment with broader foreign policy goals, and de-emphasizes industry concerns;
- Recommit to the global Arms Trade Treaty;
- Apply the Leahy Law—which blocks security assistance and training to security force units that have engaged in gross violations of human rights—to all arms transfers;
- Require a risk assessment of all proposed transfers that includes consideration of human rights, IHL, potential for corruption, possible unauthorized transfers to third parties, and risks to foreign policy goals;
- Strengthen end-use monitoring procedures and include consideration of the use of U.S.-origin equipment in human rights abuses, corruption, and civilian harm, in addition to whether U.S.-supplied arms are diverted to third parties;

- Restore State Department authority over firearms exports, require Congressional notification of firearms deals worth \$1 million or more, and provide detailed reporting on the destination and equipment transferred for all firearm sales;
- Provide public reporting on Direct Commercial Sales notifications and deliveries;
- Notify Congress 60 days in advance of deliveries of FMS or Direct Commercial Sales;
- Require detailed reporting on offset and coproduction agreements tied to foreign arms sales, including dollar value and specific components produced; and
- Work with Congress to reform the Arms Export Control Act to require affirmative Congressional approval of a subset of risky sales—as proposed by President Biden when he served in the Senate.



*“President Trump and the First Lady Visit Troops in Iraq” by Trump White House Archived/Flickr*

## THE NEED FOR GREATER TRANSPARENCY

There is an urgent need for greater transparency in reporting on U.S. arms sales. Without detailed information about proposed and active sales, neither Congress, the public, nor the administration can adequately assess the consequences of U.S. weapons exports, to the detriment of sound policy making.

Among the areas where transparency has declined over the past several years are in reporting on the value and content of Direct Commercial Sales (DCS); the value of deliveries under the Foreign Military Sales program; and reporting to Congress of firearms offers of \$1 million or more.

In addition to restoring prior levels of transparency, additional measures are needed to enable adequate analysis of the impact of U.S. arms transfers, including public reporting

on Direct Commercial Sales notifications and deliveries, and reporting on when arms sales are to be delivered to specific countries. Reporting on deliveries should include details on the equipment being transferred, the notifications those deliveries are associated with, the number of items, and the value of the package. There should also be detailed assessments of how specific weapons are being used by the recipient nation, as a guide to current and future arms transfer decision-making.

## INTRODUCTION

In its four years in office, the Trump administration made promoting arms sales a centerpiece of its foreign policy, prioritizing industry considerations over human rights, peace and conflict, or long-term strategic concerns.<sup>2</sup> This tendency was most notable in President Trump's embrace of de facto Saudi leader Mohammed Bin Salman despite his regime's murder of U.S.-resident Saudi journalist Jamal Khashoggi, its domestic human rights abuses, and its use of U.S.-supplied weapons in its brutal war in Yemen. But the Trump administration also extended this approach to arms sales generally.<sup>3</sup>

Calendar year 2020 was marked by an unprecedented surge in arms offers under the Pentagon's Foreign Military Sales (FMS) program, rising to \$110.9 billion.<sup>4</sup> The contrast between 2020 and prior years is stark. Measured by offers under the FMS program—the only measure for which full statistics are available—there was an average of \$63 billion in FMS sales per year in the first three years of the Trump administration, versus \$61.5 billion per year under Obama, measured in 2019 dollars. The comparable inflation-adjusted figure for 2020 is \$109.4 billion, nearly 75% more than the average figures for the Obama administration and the first three years of the Trump administration.<sup>5</sup> In short, it was only in the final year

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2 For an overview and detailed analysis of arms sales policy and trends, see the prior reports in this series: William D. Hartung, "Trends in U.S. Arms Sales in 2017: A Comparison of the Obama and Trump Administrations," Security Assistance Monitor, Center for International Policy, March 2018, <https://securityassistance.org/publications/trends-in-major-u-s-arms-sales-in-2017-a-comparison-of-the-obama-and-trump-administrations/> William D. Hartung and Christina Arabia, "Trends in Major Arms Sales in 2018: The Trump Record – Rhetoric Versus Reality," April 2019, Security Assistance Monitor, Center for International Policy, <https://securityassistance.org/publications/trends-in-major-u-s-arms-sales-in-2018-the-trump-record-rhetoric-versus-reality/> and William D. Hartung, Christina Arabia, and Elias Yousif, "The Trump Effect: Trends in Major Arms Sales 2019," Security Assistance Monitor, Center for International Policy, [https://securityassistance.org/wp-content/uploads/2020/10/THE-TRUMP-EFFECT\\_-TRENDS-IN-MAJOR-U.S.-ARMS-SALES-2019.pdf](https://securityassistance.org/wp-content/uploads/2020/10/THE-TRUMP-EFFECT_-TRENDS-IN-MAJOR-U.S.-ARMS-SALES-2019.pdf)

3 Darlene Superville, "Trump Puts Saudi Arms Sales Above Inquiry Into Khashoggi Killing," Associated Press, June 24, 2019, <https://www.pbs.org/newshour/world/trump-puts-saudi-arms-sales-above-inquiry-into-khashoggi-killing>

4 Data on FMS sales is from U.S. Department of Defense, Defense Security Cooperation Agency (DSCA), "Major Arms Sales," <https://www.dsca.mil/press-media/major-arms-sales> Data excludes deals where a country was offered an either/or option of two separate weapons systems, only one of which may eventuate in a final sale. In those cases, the lesser of the offers by value was included in the total.

5 Inflation-adjusted numbers are based on DSCA notifications to Congress for the relevant years, adjusted for inflation using deflators from the Bureau of Labor Statistics.



of his term that President Trump's rhetoric about promoting arms sales was matched by a major increase in arms offers.<sup>6</sup> And it should be remembered that the dollar value of sales does not account for the more important question of how those weapons are used and whether the sales advance larger U.S. foreign policy goals.

This analysis will focus primarily on FMS offers, because DCS data was only available for the first three months of 2020. If DCS data were available for all of 2020, the total figure for sales for that year would be even higher.

Saudi Arabia was the highest profile case under the Trump administration in which human rights took a back seat to other interests, from job claims and profits to a predilection for supporting authoritarian regimes, but it was far from the only one. This trend was evident early in Trump's term when his administration reversed Obama administration decisions to withhold major weapons from Saudi Arabia, Bahrain, and Nigeria on human rights grounds.<sup>7</sup> The administration also stayed the course in supporting repressive governments like the Sisi regime in Egypt and the Duterte regime in the Philippines, despite accelerating patterns of severe human rights abuses in both places.<sup>8</sup> And the administration's arms sales directive instructed U.S. diplomats to make promoting arms sales a part of their activities.<sup>9</sup>

But the Saudi case was the one in which industry most clearly and consistently won the day. At an infamous May 2018 meeting with Mohammed Bin Salman at the White House, President Trump displayed a map showing major arms sales to Saudi Arabia and how many jobs they supported in key states, including electoral swing states like Wisconsin, Michigan, Ohio, and Pennsylvania.<sup>10</sup> He also claimed at one point that arms sales to Saudi Arabia would create up to 500,000 jobs in the United States, a vastly exaggerated figure that was likely ten

6 Figures greater than \$1 billion are rounded to the nearest hundred million. Figures between \$100 million and \$999 million are rounded to the nearest million. Figures below \$99 million are rounded to the nearest 100,000. This report truncates in instances where the rounding would take the figure up to the next billion. For example, \$110.98B would not be rounded to \$111B, but instead would be truncated to \$110.9B. Percentages are rounded to the nearest tenth of a percent.

7 Hartung, "Trends in Major Arms Sales 2017," op. cit., p. 4.

8 William D. Hartung and Seth Binder, "U.S. Security Assistance to Egypt: Examining the Return on Investment," Center for International Policy and Project on Middle East Democracy, May 2020, pp/ 2-3, [https://static.wixstatic.com/ugd/3ba8a1\\_f394aa90478b48ea8d5840fb7ff2aee7.pdf](https://static.wixstatic.com/ugd/3ba8a1_f394aa90478b48ea8d5840fb7ff2aee7.pdf) Human Rights Watch, "Don't Sell Attack Helicopters to the Philippines – Deals Would Reward Past Abuses, Lack of Accountability," May 22, 2020, <https://www.hrw.org/news/2020/05/22/us-dont-sell-attack-helicopters-philippines>

9 Mike Stone and Matt Spetalnick, "Trump to Call on Pentagon, Diplomats to Play Bigger Arms Sales Role – Sources," Reuters, January 8, 2018, <https://www.reuters.com/article/us-usa-trump-weapons/exclusive-trump-to-call-on-pentagon-diplomats-to-play-bigger-arms-sales-role-sources-idUSKBN1EX0WX>

10 William Gallo and Steve Herman, "Trump Touts Saudi Arms Sales in Oval Office Meeting With Crown Prince," Voice of America, March 19, 2018, <https://www.voanews.com/usa/trump-touts-saudi-arms-deals-oval-office-meeting-crown-prince> William D. Hartung, "Arms Sales Decisions Shouldn't Be About Jobs," Defense One, March 26, 2018, <https://www.defenseone.com/ideas/2018/03/arms-sales-decisions-shouldnt-be-about-jobs/146939/>

to twenty times the real number.<sup>11</sup> And after the murder of Jamal Khashoggi, Trump refused to hold the Saudi regime accountable because of Saudi expenditures for “the purchase of military equipment from Boeing, Lockheed Martin, Raytheon and other great U.S. defense contractors.”<sup>12</sup>

Early signs indicate that the Biden administration may take a more restrained approach to arms exports, as evidenced by its decision to suspend sales to Saudi Arabia and the UAE pending a review of their alignment with larger U.S. foreign policy objectives.<sup>13</sup> President Biden went a step further in his first foreign policy speech, pledging to end U.S. support for offensive operations in Yemen and relevant arms sales.<sup>14</sup> So far this has resulted in a pause in two bomb sales to Saudi Arabia worth a total of nearly \$800 million that were notified to Congress in December 2020, in the waning days of the Trump administration.<sup>15</sup> On the other hand, the Biden administration approved a sale of 168 Rolling Airframe Missiles to Egypt worth \$197 million on February 16, just days after the Egyptian government’s arrest of relatives of Egyptian-American activist Mohamed Soltan.<sup>16</sup> It remains to be seen how much the Biden administration intends to recalibrate its overall approach to arms sales and security assistance.

## TOP RECIPIENTS OF U.S. ARMS OFFERS IN 2020

The top five recipients of U.S. arms sales offers in 2020 by dollar value were the United Arab Emirates (\$24.1 billion), Japan (\$23.2 billion), Finland (\$12.5 billion), Switzerland (\$8.8 billion), and Taiwan (\$5.9 billion). The biggest sales by value were for major combat aircraft, most notably for the F-35 Joint Strike Fighter. The Finnish and Swiss received offers that included options for either F-35s or F-18s, only one of which will eventually be selected by the recipient in each case. To avoid double counting and overcounting, this report includes only the value of the smaller F-35 offers in the statistical analysis contained herein. Major sales that

11 Glenn Kessler, “Trump Claims of Jobs From Saudi Deals Grows by Leaps and Bounds,” *Washington Post*, October 22, 2018, <https://www.defenseone.com/ideas/2018/03/arms-sales-decisions-shouldnt-be-about-jobs/146939/>

12 “Statement by President Donald J. Trump on Standing with Saudi Arabia,” White House Press Release, November 20, 2018, at <https://trumpwhitehouse.archives.gov/briefings-statements/statement-president-donald-j-trump-standing-saudi-arabia/>

13 Warren P. Strobel, “Biden Reviewing U.S. Arms Sales to Saudi Arabia, UAE,” *Wall Street Journal*, January 27, 2021, <https://www.wsj.com/articles/biden-freezes-u-s-arms-sales-to-saudi-arabia-uae-11611773191>

14 “Remarks by President Biden on America’s Place in the World,” The White House, February 4, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/02/04/remarks-by-president-biden-on-americas-place-in-the-world/>

15 Joe Gould and Aaron Mehta, “Boeing, Raytheon Missile Sales to Saudi Arabia Paused by the Biden Administration,” *Defense News*, February 5, 2021, <https://www.defensenews.com/global/mideast-africa/2021/02/05/boeing-raytheon-missile-sales-to-saudi-arabia-canceled-by-biden-administration/>

16 Jennifer Hansler, “Biden Administration Approves Arms Sale to Egypt Despite Human Rights Concerns,” *CNN.com*, February 16, 2021, <https://www.cnn.com/2021/02/16/politics/egypt-missile-sale/index.html>

propelled countries into the top ten U.S. arms recipients for 2020 included:

- F-35s (\$10.4 billion), MQ-9B armed drones (\$2.97 billion), and bombs and missiles (\$10 billion) to the UAE;
- F-35s (\$23.1 billion) to Japan;
- F-35s to Finland (\$12.5 billion);
- F-35s to Switzerland (\$6.6 billion);<sup>17</sup> and
- Harpoon anti-ship missiles (\$2.4 billion), AGM-84 Standoff Land Attack Missiles (\$1 billion), and MQ-9 drones (\$600 million) to Taiwan.

The top ten recipients were rounded out by Kuwait (\$5.7 billion), Israel (\$5.4 billion), Egypt (\$2.9 billion), Singapore (\$2.8 billion) and Australia (\$2.7 billion). Of the top ten, four were in the Asia-Pacific region, four were in the Middle East, and two were in Europe. A full list of 107 U.S. arms offers during calendar year 2020 (including sales offers where only one of two were to proceed)—listing country, amount, and items covered—is available in the appendix to this report.

It is important to note that the dollar value of sales does not necessarily reflect their potential impact. For example, although Saudi Arabia ranked 18th in recipients under the 2020 FMS program, with offers of \$640 million, the bulk of those offers involved bombs of the type that it has used to launch air strikes against civilian targets in Yemen, resulting in thousands of deaths.<sup>18</sup> As noted above, two bomb deals made with Saudi Arabia in December 2020—one under FMS, and one under DCS—have since been paused by the Biden administration due to concerns over their possible use in Yemen. Unlike the Saudi deals, large sales of combat aircraft to nations that are not actively involved in conflict zones—like Finland or Switzerland—are unlikely to have similar human security consequences, but are more important for their economic impact and, in some cases, their potential role in deterring conflict. It should also be noted that measuring Saudi sales by FMS deals notified to Congress may be a significant undercounting. According to a report by the State Department’s Office of Inspector General released in August 2020:

“OIG reviewed Department records on approved arms transfer cases involving Saudi Arabia and the United Arab Emirates that fell below the AECA thresholds that trigger notification

<sup>17</sup> Finland and Switzerland both also received multi-billion dollar offers for F-18 combat aircraft in 2020, but they were offered as options in case either nation chose them over the offers of F-35s. They F-18 deals are excluded in the statistics presented in this report to avoid double counting.

<sup>18</sup> United Nations Office of the High Commissioner for Human Rights, “Bachelet Urges States With Power and Influence to End Starvation, Killing of Civilians in Yemen,” November 10, 2018, <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=23855&LangID=E>

to Congress. The records show the Department approved a total of 4,221 below-threshold arms transfers involving Saudi Arabia and the United Arab Emirates, with an estimated total value of \$11.2 billion since January 2017. Components of PGMs were among the below-threshold transfers to Saudi Arabia and the United Arab Emirates approved during this period.”<sup>19</sup>

Arms sales also send a signal of political support for the recipient regime which can be interpreted as an endorsement of its conduct – another impact that cannot be measured simply by looking at the dollar value of an export.

There are two main channels for U.S. arms exports: Foreign Military Sales (FMS), which involve government to government agreements; and Commercial Sales licensed by the State Department. See below for further details.

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<sup>19</sup> Office of Inspector General, United States Department of State, “Review of the Department of State’s Role in Arms Transfers to the Kingdom of Saudi Arabia and the United Arab Emirates,” August 2020, <https://www.stateoig.gov/system/files/isp-i-20-19.pdf>

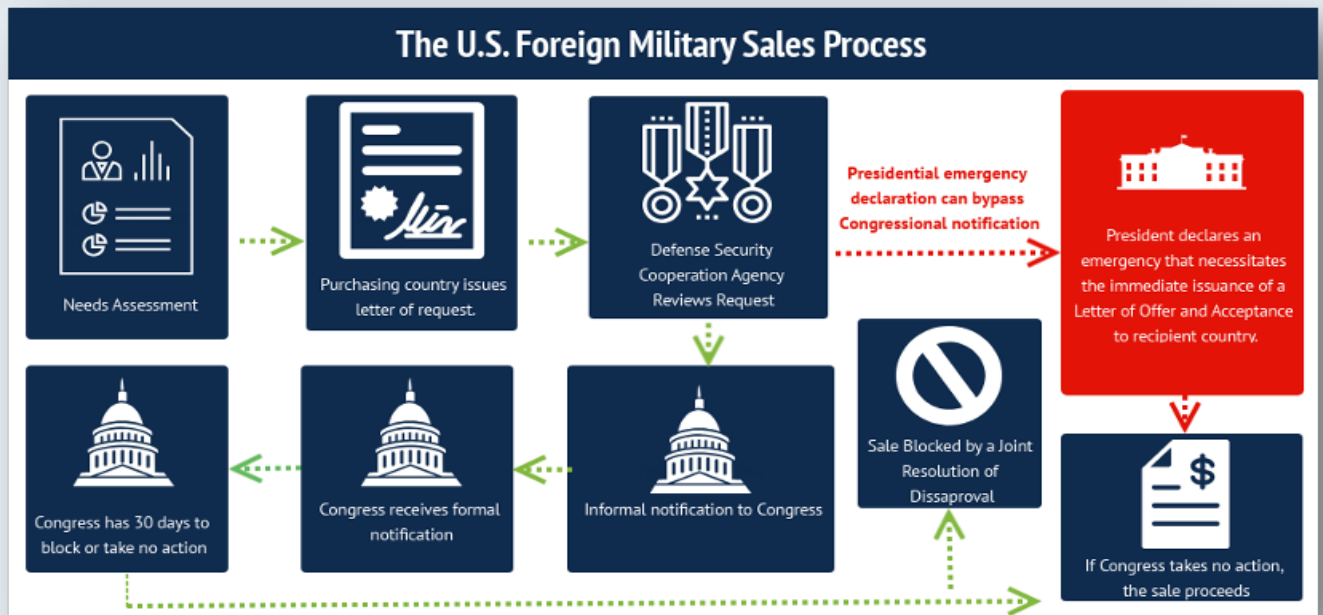
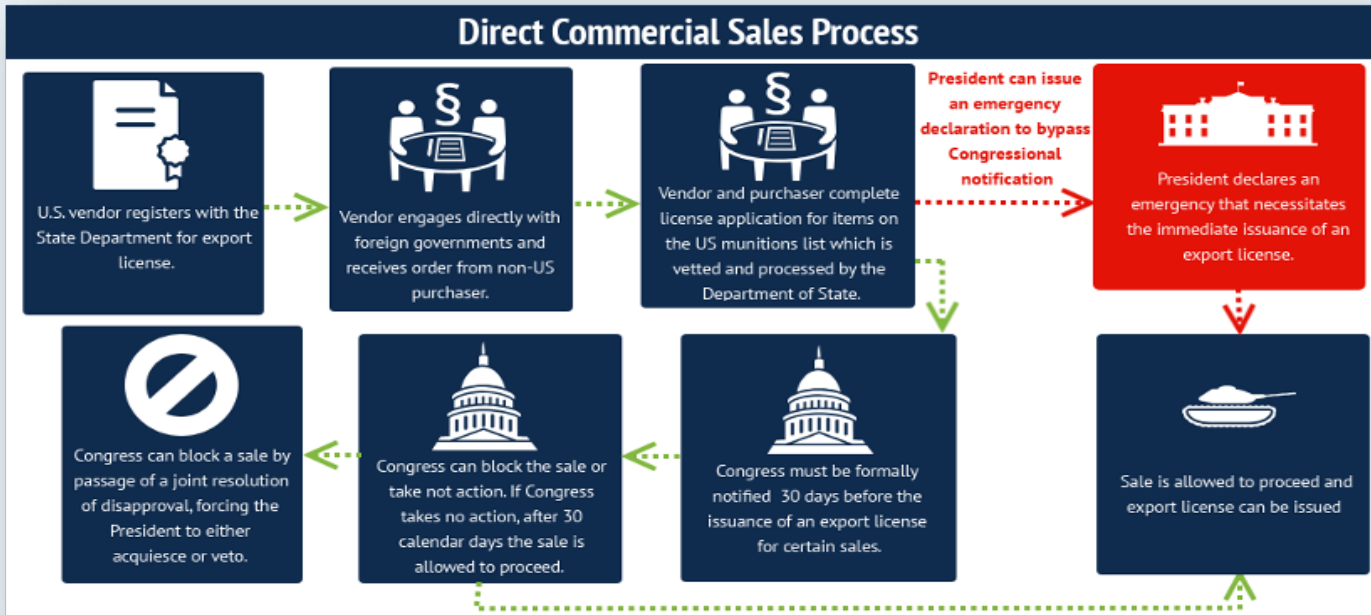
TABLE 1 – TOP 20 RECIPIENTS FOR 2019 AND 2020

Rank	Country	Total Notification Value
1	Japan	\$12,591,883,750
2	Taiwan	\$10,849,060,000
3	Morocco	\$10,257,600,000
4	Poland	\$6,500,000,000
5	Saudi Arabia	\$5,082,790,396
6	United Arab Emirates	\$4,740,300,000
	Multi-Country	\$4,566,968,006
7	India	\$4,553,000,500
5	United Kingdom	\$4,324,900,000
9	Bahrain	\$3,378,000,000
10	Qatar	\$3,091,310,500
11	South Korea	\$2,588,900,000
12	Bulgaria	\$1,673,000,000
13	New Zealand	\$1,400,000,000
14	United States	\$1,129,337,492
15	Czech Republic	\$1,005,000,000
16	Australia	\$787,016,877
17	Thailand	\$674,793,009
18	Belgium	\$600,000,000
19	Greece	\$600,000,000
20	Egypt	\$554,000,000

Rank	Country	Total Notification Value
1	United Arab Emirates	\$24,076,000,000
2	Japan	\$23,228,311,000
3	Finland	\$12,500,000,000
4	Switzerland	\$8,780,000,000
5	Taiwan	\$5,861,300,000
6	Kuwait	\$5,684,600,000
7	Israel	\$5,400,000,000
8	Egypt	\$2,886,600,000
9	Singapore	\$2,750,000,000
10	Australia	\$2,668,200,000
11	France	\$2,350,000,000
12	India	\$2,112,000,000
13	Indonesia	\$2,000,000,000
14	Canada	\$1,637,300,000
15	South Korea	\$1,316,100,000
16	Croatia	\$757,000,000
17	Saudi Arabia	\$640,000,000
18	Chile	\$634,700,000
19	Ukraine	\$600,000,000
20	Philippines	\$576,000,000

# THE U.S. FOREIGN MILITARY SALES PROCESS

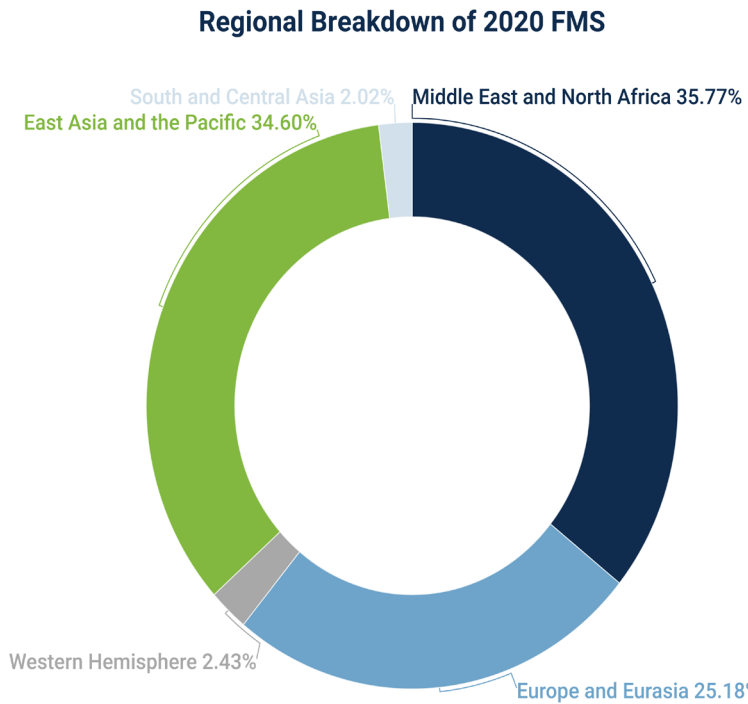
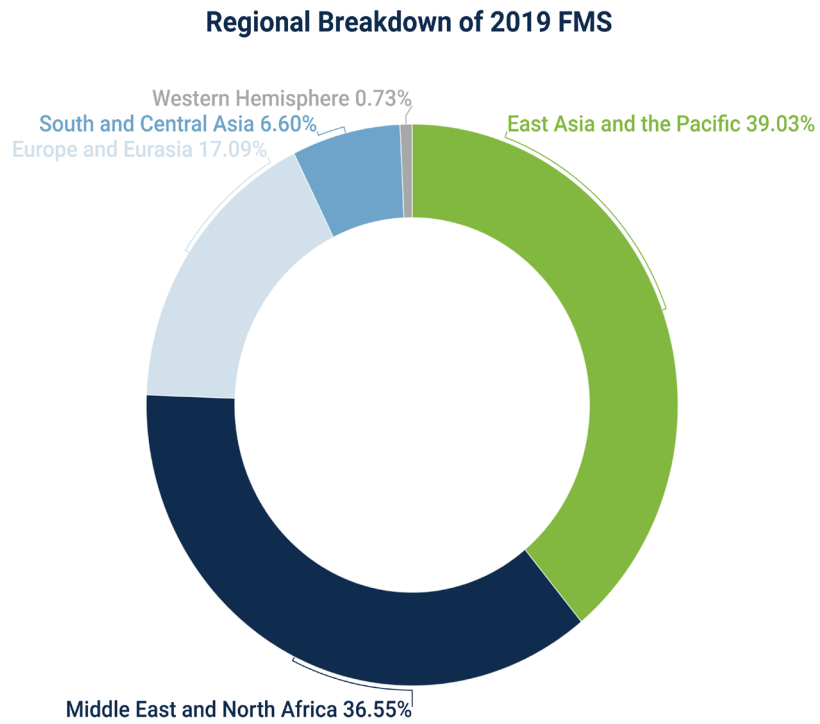
There are two main channels for U.S. arms exports: Foreign Military Sales (FMS), which involve government to government agreements; and Commercial Sales licensed by the State Department. See below for further details<sup>20</sup>



20 Fully utilized sources and data reference in, Christina Arabia and Elias Yousif “How Trump is Sidestepping Congressional Oversight for Government Arms Sales” Issue Brief, Security Assistance Monitor, Center for International Policy, <https://securityassistance.org/publications/how-trump-is-sidestepping-congressional-oversight-for-government-arms-sales/> as well as Elias Yousif “How Trump is Sidestepping Congressional Oversight for Commercial Arms Sales” Issue Brief, Security Assistance Monitor, Center for International Policy, <https://securityassistance.org/publications/how-trump-is-sidestepping-congressional-oversight-for-commercial-arms-sales/>

## REGIONAL ANALYSIS

Figure 1, Regional Shares of U.S. Arms Offers for 2019 and 2020



## I The Middle East and North Africa

The dollar value of FMS offers to the region increased from \$25.5 billion in 2019 to \$39.7 billion in 2020, a jump of 55.6%. The share of U.S. FMS offers going to nations in the Middle East and North Africa dropped slightly, from 36.6% in 2019 to 35.8% in 2020.

The top five deals to the region in 2020 included a three-part package to the UAE worth over \$23 billion, for F-35 combat aircraft (\$10.4 billion); munitions and related equipment (\$10 billion); and MQ-9 armed Reaper drones (\$2.97 billion). Kuwait received an offer of \$4 billion for Apache attack helicopters, and Israel will receive \$3 billion worth of jet aviation fuel. These five deals alone totaled \$30.4 billion, more than three quarters of total U.S. FMS offers to the Middle East and North Africa in 2020.

U.S. arms sales to the Middle East are normally justified on grounds of increasing counter-terrorism capabilities of key allies; countering Iran; supporting the stability of oil-rich nations that are key suppliers to the United States or its allies; and supporting jobs in the United States. The latter rationale was vigorously promoted by the Trump administration even as some U.S. arms recipients carried out heinous human rights abuses, including the Saudi regime's murder of the journalist Jamal Khashoggi and its brutal killing of civilians in Yemen. It should be noted that a number of recent sales either do not fit within the rationales outlined above or raise other concerns that may override these traditional justifications.

The UAE deals sparked controversy in Congress due to Abu Dhabi's role in the wars in Yemen and Libya and its internal human rights record. There were also concerns among some members of Congress about whether the sale of F-35s to the UAE would reduce Israel's Qualitative Military Edge (QME) in the region.<sup>21</sup> Two resolutions of disapproval against elements of the deal failed by small margins, with 47 and 46 votes in favor, respectively, including virtually every Democrat in the Senate.<sup>22</sup> The UAE sales may be counterbalanced by up to \$8 billion in additional sales to Israel, accelerating the Mideast arms race in the process.<sup>23</sup> The UAE deals are now part of the Biden administration's review of sales to the Gulf.

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21 William D. Hartung, "Congress Should Block Trump's Lame-Duck Arms Sales with the UAE," *Forbes*, November 22, 2020, <https://www.forbes.com/sites/williamhartung/2020/11/22/congress-should-block-trumps-lame-duck-arms-deals-with-the-uae/?sh=2202b5f456c3> Elias Yousif and William D. Hartung, "Major Arms Sales to the UAE," Issue Brief, Security Assistance Monitor, Center for International Policy, November 2020, <https://securityassistance.org/publications/issue-brief-major-arms-sales-to-the-united-arab-emirates/>

22 Robbie Gramer and Jack Detsch, "Senate Effort to Stop Trump Arms Sales to UAE Fails," *Foreign Policy*, December 9, 2020, <https://foreignpolicy.com/2020/12/09/senate-vote-uae-trump-arms-sales-gulf-security-iran-f-35-drones-middle-east-democrats-biden/>

23 Sebastien Robin, "Israel's Wish List: Here's the \$8 Billion In U.S. Weapons It Wants to Buy," *Forbes*, September 18, 2020, <https://www.forbes.com/sites/sebastienrobin/2020/09/18/on-heels-of-accord-with-bahrain-and-uae-israel-seeks-8-billion-in-us-weapons/?sh=3530cc2918cf>



Notably absent from the list of top recipients in the region is Saudi Arabia, which despite its ample military budget and close ties to the Trump administration received just \$640 million in total U.S. FMS offers in 2020, including \$290 million for GBU-39 (guided bomb unit) small diameter bombs and related equipment. Riyadh was also offered \$478 million in Paveway precision-guided bombs licensed by the State Department under the DCS program.<sup>24</sup> Both deals, which were made late in the Trump administration's lame-duck period, in December 2020, have been put on pause by the Biden administration as part of its review of its policies towards Yemen and Gulf arms sales. The Saudi case underscores that it is not only the value of arms sales that matters, but how those weapons might be used. Bearing this in mind, the Biden administration should take a careful look at all U.S. arms, services, maintenance and support to Saudi Arabia and the UAE, both proposed and in the pipeline, and block any that have been or can be used to prosecute the wars in Yemen and Libya.

## ■ East Asia and the Pacific

The dollar value of U.S. FMS offers to nations in East Asia and the Pacific rose from \$27.2 billion in 2019 to \$38.4 billion in 2020, an increase of 41%. The East Asia and Pacific region accounted for 34.6% of U.S. FMS offers in 2020.

Major sales to East Asia and the Pacific in 2020 included \$23.1 billion to Japan for F-35 combat aircraft; \$2.8 billion to Singapore for F-35B Short Takeoff and Vertical Landing (STOVL) aircraft; \$2.4 billion to Taiwan for Harpoon anti-ship missiles; \$2 billion to Indonesia for MV-22 Osprey aircraft; and \$1.5 billion for long lead items and defense support to Australia for its surface combatant program. These five deals alone accounted for \$31.7 billion in arms offers, over 80% of total offers to the region in 2020. As with the fighter jet sales to Finland and Switzerland, the U.S. proposed the sale of either AH-64 Apache or AH-1Z attack helicopters to the Philippines, only one of which will eventually be selected by the recipient. To avoid double counting and overcounting, this report includes only the value of the smaller sale of AH-1Z attack helicopters in the year-on-year analysis herein.

The increase in sales to East Asia and the Pacific has been publicly justified as increasing the self-defense capacity of key allies, with the implicit understanding that they would bolster the ability of allies in the region to serve as a counterweight against China. Not all of the sales fit neatly into this justification, however. The proposed sale of either AH-64 Apache or AH-1Z attack helicopters for the Philippines are more suited to internal counter-terror or counterinsurgency missions than they are to deterring China. In the Philippines, which has

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24 Missy Ryan and Karen DeYoung, "Trump Administration Pushes Forward on \$500 Million Weapons Deal With Saudi Arabia," *Washington Post*, December 23, 2020, [https://www.washingtonpost.com/national-security/trump-administration-saudi-weapons-deal/2020/12/23/657cdc72-4565-11eb-8deb-b948d0931c16\\_story.html](https://www.washingtonpost.com/national-security/trump-administration-saudi-weapons-deal/2020/12/23/657cdc72-4565-11eb-8deb-b948d0931c16_story.html)

taken a scorched earth approach to its war with rebels in the northern portion of the country—which has resulted in large numbers of civilian casualties and displaced hundreds of thousands of people—selling the regime attack helicopters at this time raises questions of whether this U.S. equipment may do more harm than good.<sup>25</sup>

## Europe and Eurasia

U.S. FMS offers to Europe and Eurasia totaled \$27.9 billion in 2020, more than double the \$11.9 billion figure from 2019. The regional share of total U.S. FMS offers accounted for by Europe and Eurasia increased to 25.2% in 2020, up from 17.1% in 2019. The change was driven by major offers of F-35 combat aircraft to Finland (\$12.5 billion) and Switzerland (\$6.6 billion); Patriot missiles to Switzerland (\$2.2 billion); and E-2D Hawkeye aircraft to France (\$2.0 billion). These four deals alone totaled \$23.3 billion, over 80% of the regional total.<sup>26</sup>



*"NATOs hovedkvarter" (NATO Headquarters in Belgium) by Utenriksdepartementet UD/ Flickr*

There is a longstanding debate about whether the European members of NATO are carrying their fair share of the alliance's military burden, as measured by defense spending. While most European allies spend a lower share of GDP on their militaries than the U.S. does, it's important to note a significant portion of what they do spend is allocated to purchasing U.S. weapons systems.

In its notification of the U.S. offer of F-35s to Finland, the Pentagon described the rationale for major U.S. sales as follows: "The proposed sale of F-35s and associated missiles and munitions will provide . . . a credible defense capability to deter aggression in the region and

<sup>25</sup> Amy Chew, "It's Time to End U.S. Military Aid to the Philippines," *Foreign Policy in Focus*, April 8, 2019, <https://fpif.org/its-time-to-end-u-s-military-aid-to-the-philippines/>

<sup>26</sup> This analysis does not include offers of F-18s to Finland and Switzerland, as they were offered as options if these nations chose not to purchase F-35s. For purposes of statistical analysis, the F-35 deals were chosen because they were of a lesser dollar value than the F-18 packages – hence figures used in this report could end up being conservative if one or the other nation opts for F-18s over F-35s.

ensure interoperability with U.S. forces.”<sup>27</sup> Similar language is used in the notification of the F-35 sale to Switzerland. Without calling out Moscow by name, this rationale clearly points at the potential threat posed by Russia. Whether this rationale holds up, given that an air war between Russia and any European nation is extremely unlikely, is worthy of discussion. Russia’s main challenges to Europe involve political interference, economic influence via its control of major natural gas resources, and the potential for hybrid warfare of the type it has been pursuing in Ukraine. It is not obvious that advanced combat aircraft are relevant to any of these scenarios, but they may help forge closer military relationships between the U.S. and key European allies, which have broader implications beyond the role of a specific weapons system.

## ■ Western Hemisphere

Although the share of U.S. FMS sales to the Western Hemisphere remains relatively low compared to other regions, at 2.4% in 2020, there was a sharp jump in the value of arms sales to the region in 2020, from \$509 million in 2019 to \$2.7 billion in 2020, a fivefold increase.

Major deals to the Western Hemisphere in 2020 included \$862 million to Canada for Sidewinder missiles for that nation’s F-18 Hornet combat aircraft; \$634 million to Chile for upgrades of its U.S.-supplied F-16s; and \$500 million to Canada for Standard missiles. These three sales alone accounted for nearly \$2 billion of the \$2.69 billion in U.S. FMS sales to the region in 2020, nearly three-quarters of the total.

## ■ South and Central Asia

U.S. FMS sales to South and Central Asia dropped sharply, from \$4.6 billion in 2019 to \$2.2 billion in 2020, a decrease of 50%. In percentage terms, the share of FMS sales to the region dropped from 6.6% in 2019 to 2% in 2020.

The only major deal in 2020 was a \$1.87 billion offer of an integrated air defense system to India. That deal alone accounted for well over three-quarters of FMS sales to the region by dollar value.

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<sup>27</sup> Defense Security Cooperation Agency, “Finland – F-35 Fighter Aircraft With Air-to-Air Missiles and Air-to-Ground Precision-Guided Munitions,” October 9, 2020, <https://www.dsca.mil/press-media/major-arms-sales/finland-f-35-joint-strike-fighter-aircraft-air-air-missiles-and-air> and Defense Security Cooperation Agency, “Switzerland – F-35 Joint Strike Fighter Aircraft and Weapons,” September 30, 2020, <https://www.dsca.mil/press-media/major-arms-sales/switzerland-f-35-joint-strike-fighter-aircraft-and-weapons>

FMS figures do not account for U.S. weapons supplies to Afghanistan, which are provided as aid via the Afghan Security Forces Fund (ASFF). Of the \$4.3 billion provided under the fund in Fiscal Year 2020, \$966 million was categorized as “transportation and equipment.”<sup>28</sup>



“FMS” (Foreign Military Sales) by U.S. Army Materiel Command/Flickr

## WHAT IS BEING OFFERED: TYPES OF EQUIPMENT

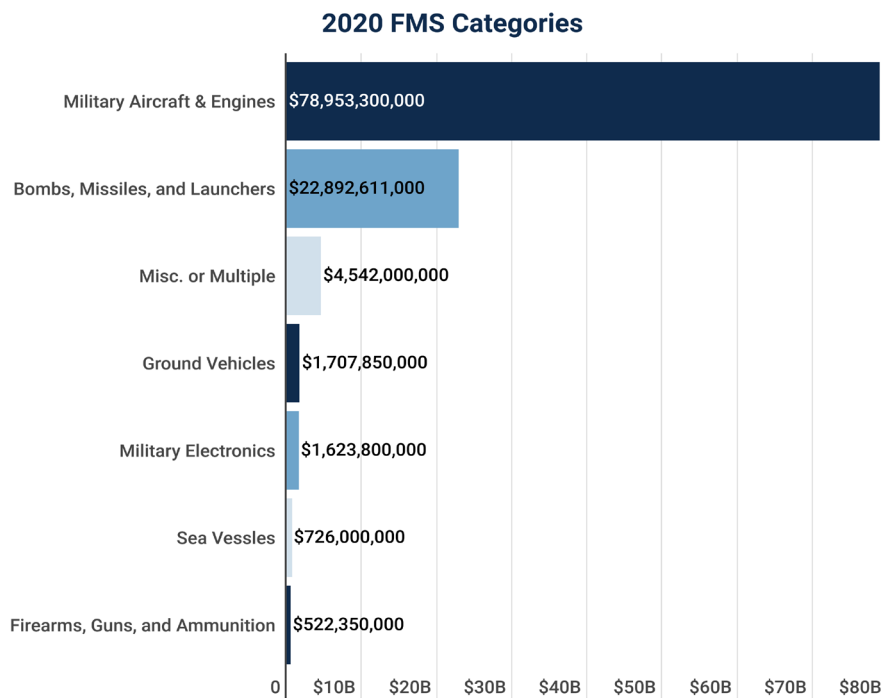
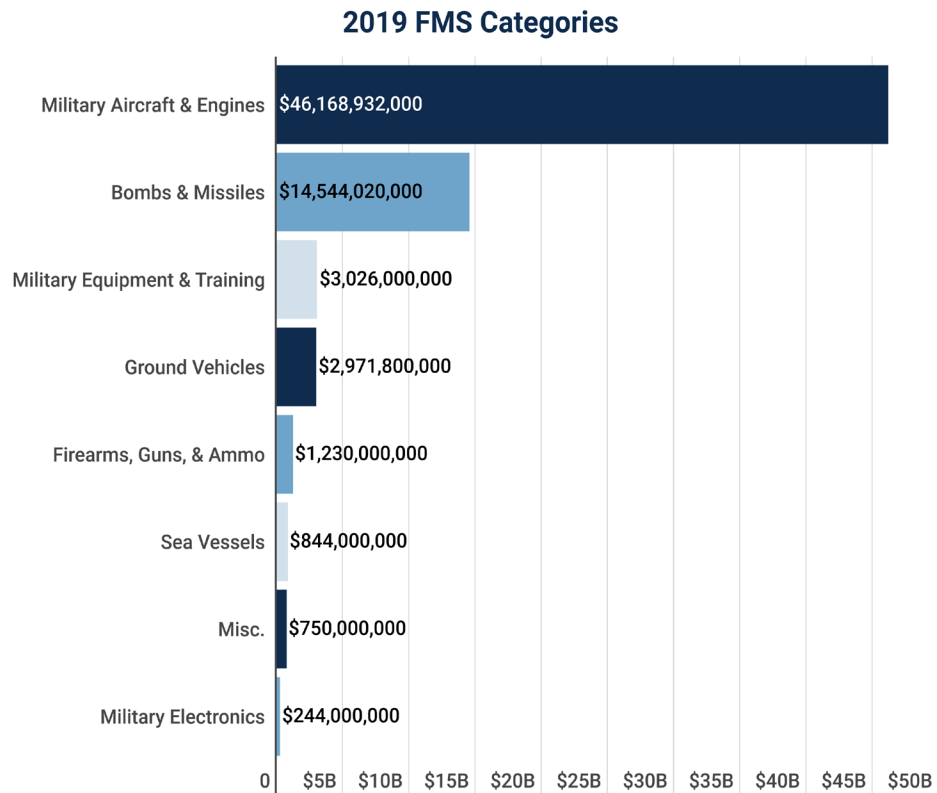
There was a sharp shift in the types of weaponry offered to foreign customers in 2020 compared to 2019. Over \$78 billion in deals—almost three-quarters of all FMS offers—were accounted for by offers that primarily involved major combat aircraft. This compares with \$46 billion in aircraft deals for 2019, which accounted for approximately two-thirds all U.S. FMS sales for that year. This high figure for 2020 was driven by offers of F-35s to Finland, Switzerland, Japan, the UAE, and Singapore. Aircraft deals to these five countries alone accounted for over \$55 billion in offers during 2020, representing half of all FMS offers for the year.

The second major category of sales was for bombs and missiles. The value of deals also rose substantially from 2019 to 2020, increasing by more than 57% from \$14.5 billion to \$22.9 billion. Bombs and missiles as a percentage of total FMS offers held steady, from roughly 20.8% in 2019 to 20.6% in 2020.

The third major category for 2020 was ground vehicles, which totaled \$1.7 billion in 2020, or 1.5% of total FMS offers.

<sup>28</sup> Office of the Secretary of Defense, Defense Budget FY2020, “Justification for FY2020 Overseas Contingency Operations FY2020 – Afghan Security Forces Fund,” p. 5, [https://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2020/fy2020\\_ASFF\\_Justification\\_Book.pdf](https://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2020/fy2020_ASFF_Justification_Book.pdf)

**FIGURE 2: BAR CHART OF WEAPONS TYPES WITH DOLLAR VALUES OF EXPORTS, 2019 VERSUS 2020**



## FIREARMS

Available data on firearms exports under the DCS program dropped precipitously in 2020, making comparison with past years impossible. In 2019, notifications were received for 29 deals with 15 countries, worth at least \$470.8 million. In 2020, data was only available for the first three months of the year, covering five deals to five countries with a threshold value of \$5 million (i.e., the deals were reported in a range of values, with the low end of the range at \$1 million for each deal). All firearms offers for both years were under the DCS program. Recipient countries were Thailand (two deals), Mexico, Oman, and Estonia. Because of the limits on available data, DCS offers are not included in this year-on-year analysis of arms sales trends.

The paucity of data on firearms may be due in part to the Trump administration's arms export reform initiative, which eliminated the requirement to report sales of firearms and related ammunition worth \$1 million or more to Congress.<sup>29</sup> Even under the prior system, Congress did not make data on firearms readily available in an easily accessible public format, but it was possible to get substantial information in consultation with key congressional committees.



*"2012 SPOTC Carolina Challenge" by Savannah River Site/Flickr*

Consistent data on firearms exports—promptly reported in advance to Congress and the public—is critically important for analyzing the impact of U.S. arms transfers. Although smaller in value than major systems like combat aircraft or armored vehicles, firearms are the weapons of choice in many internal conflicts, as well as by terrorist organizations, criminal gangs, and drug cartels. A number of analysts have argued that another aspect of the Trump administration's arms export reform plan, the transfer of jurisdiction over many firearms—including semi-automatic weapons and sniper rifles—from the Department of State to the Commerce Department, has made it easier to transfer them from the original recipient to third parties without being detected by U.S. authorities. This is because transfers of these weapons and components are now subjected to less rigorous human rights require

<sup>29</sup> For details on the Trump administration's changes in firearms export regulations, see "Transfer of Arms and Ammunition (USML Cat I-III) to Commerce," resource page, Forum on the Arms Trade, accessed February 18, 2021, <https://www.forumarmstrade.org/catitoiii.html>

less information from the recipient country as part of the licensing process.<sup>30</sup>

Small arms are also more likely to be used than larger weapons by repressive governments against their populations. Sales in past years have included major offers to the Philippines, where the regime has carried out a campaign of extrajudicial killings that have left thousands of people dead, as well as to Mexico, where U.S. firearms have ended up in the hands of criminals and drug cartels. Absent data on current and future transfers, Congress will have no ability to scrutinize, and potentially block, deals of this sort, which raises major human rights concerns.

TABLE 2: FIREARMS OFFERS 2020

Country	Threshold Notification Value	Item Details
Thailand	\$1,000,000	9mm semi-automatic pistols
Estonia	\$1,000,000	5.56mm and 7.72mm automatic rifles, sound suppressors, and major components
Thailand	\$1,000,000	M2HB .50 caliber automatic machine guns, and M60E6 conversion kits with spare barrels
Mexico	\$1,000,000	The U.S. Munitions Lists of 9mm semi-automatic pistols
Oman	\$1,000,000	9mm semi-automatic pistols

30 "Menendez Blasts Trump Administration for Loosening Export Controls on Semi-Automatic Arms and Sniper Rifles for Export," press release, Office of Sen. Robert Menendez, January 17, 2020, <https://www.foreign.senate.gov/press/ranking/release/menendez-blasts-trump-admin-for-loosening-export-controls-on-semi-automatic-arms-and-sniper-rifles-for-export> "Rep. Torres: Trump Move to Slacken Firearms Sale Regs Helps Terrorists at America's Expense," press release, Office of Rep. Norma Torres, January 27, 2020, <https://torres.house.gov/media-center/press-releases/rep-torres-trump-move-slacken-firearm-sale-regs-helps-terrorists-america> and "Trump Proposal Would Weaken Controls on the Export of Dangerous Firearms," press release, Arms Control Association, January 17, 2020, <https://www.armscontrol.org/pressroom/2020-01/trump-proposal-weaken-controls-export-dangerous-firearms>

Even absent adequate reporting to Congress on firearms offers, there is evidence that fire arms exports are growing. The increase in firearm exports in the last six months of 2020 compared with the last six months of 2019 — the most relevant periods for gauging the effects of the new regulations — has been substantial. Foreign sales of semiautomatic pistols increased by nearly 125% during that time, according to U.S. Census Bureau trade records. In 2020 as a whole, a record number of military rifles and shotguns were exported by the U.S., more than 175,000 overall, according to U.S. tariff and trade data. The surge in gun exports included over 55,000 handguns to Mexico, where gun violence has reached unprecedented levels.<sup>31</sup>



*“Lockheed Martin F-35A Lightning II” by Robert Sullivan/Flickr*

## CORPORATE BENEFICIARIES

A handful of companies were the primary beneficiaries of U.S. arms offers in 2020. The top three firms—Lockheed Martin, Boeing, and Raytheon Technologies—were involved in over \$87 billion worth of arms deals in 2020, over three-quarters of total offers for the year. Major deals generally involve a primary weapons system with associated equipment, so being a principal supplier does not guarantee that company all of the revenues from the deal. Support services and secondary contractors will also consume some of the funds involved in any major arms deal. But these figures underscore the degree to which a handful of companies are in a position to reap the largest share of financial benefits from FMS sales.

Lockheed Martin was the principal supplier in deals worth over \$59 billion, roughly \$55

<sup>31</sup> John Lindsay-Poland and William D. Hartung, “Trump Made It Easier to Export U.S. Guns. Biden Must Reverse This Dangerous Policy,” *Los Angeles Times*, March 12, 2021, <https://www.latimes.com/opinion/story/2021-03-12/gun-exports-us-biden-trump> John Lindsay-Poland “U.S. Gun Exports Have Spiked During the Pandemic,” *Inkstick*, September 9, 2020, <https://inkstickmedia.com/us-gun-exports-have-spiked-during-the-pandemic/>



billion of which was accounted for by sales of F-35 combat aircraft to Japan (\$23.1 billion), the UAE (10.4 billion), Finland (\$12.5 billion), Switzerland (\$6.58 billion), and Singapore (\$2.7 billion).

Boeing was involved in offers worth \$34.35 billion, over \$22 billion of which were for F-18 offers to Finland (\$14.7 billion) and Switzerland (\$7.45 billion), and \$7.8 billion of which were for Apache attack helicopters to Kuwait (\$4.0 billion), Egypt (\$2.3 billion), and the Philippines (\$1.5 billion). Other major deals included KC-46 refueling aircraft to Israel (\$2.4 billion). The F-18 deals to Finland and Switzerland and Apache attack helicopters to the Philippines were not counted in the tally of \$87 billion in total sales involving major corporations because they were offered as options versus possible sales of F-35s or AH-1Z helicopters, respectively. But the deals are mentioned here because they do represent potential business for Boeing depending on which systems the recipient nations ultimately choose.



*"Lockheed Martin F-22 'Raptor's' at Hickam AFB, Hawaii" by Robert Sullivan/Flickr*

Raytheon Technologies was the primary contractor for deals worth \$17.8 billion, including \$10 billion worth of bombs to the UAE, \$2.2 billion for Patriot missiles to Switzerland, and \$1.87 billion for an integrated air defense system to India. The Raytheon figure is conservative because it was a secondary supplier for F-35 and F-18 combat aircraft deals, supplying bombs and missiles for arming the planes.

Because of Lockheed Martin's prominent place in the global market for combat aircraft, foreign arms sales account for a significant share of the company's revenues and profits. For example, in

2019, 37% of the sales of Lockheed Martin's Aeronautics division—by far the largest part of the company—were derived from international sales.<sup>32</sup> Based on its F-35 foreign sales, this share may increase once 2020 figures are available. Boeing and Raytheon Technologies have significant commercial as well as military exports, so it is harder to gauge their levels of dependence on foreign arms sales. But prior to its merger with United Technologies, the CEO of Raytheon indicated that sales to Saudi Arabia alone accounted for roughly 5% of the

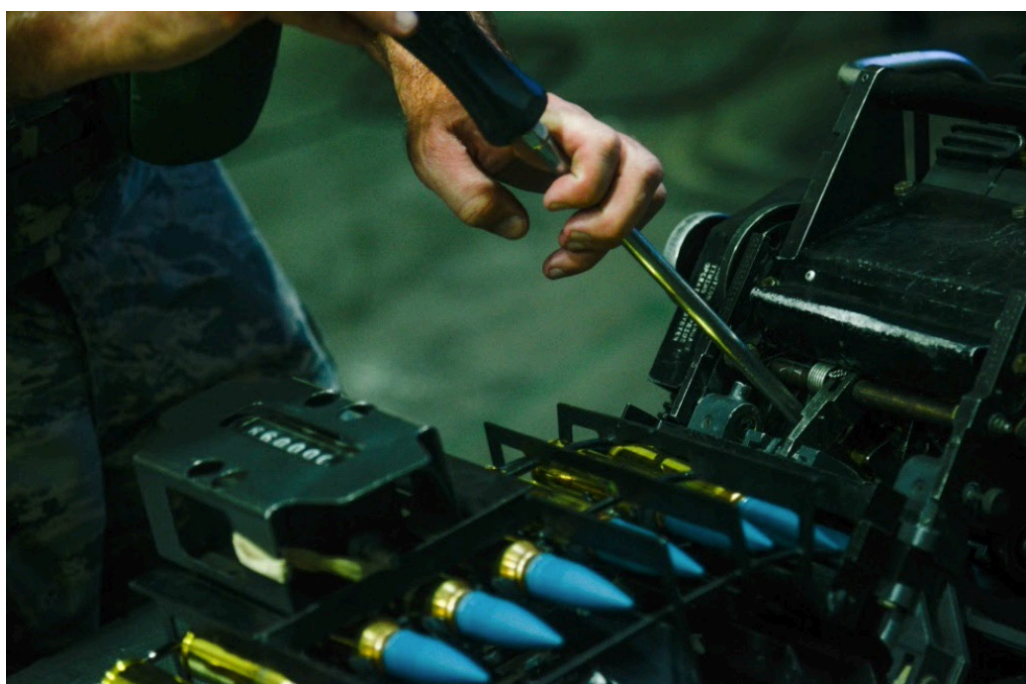
<sup>32</sup> Lockheed Martin Corporation, SEC Form 10-K, 2019, p.5, <https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/annual-reports/lockheed-martin-annual-report-2019.pdf>

company's revenue.<sup>33</sup>

In order to make major deals for items like F-18 and F-35 combat aircraft, companies like Lockheed Martin and Boeing have to enter into offset and coproduction agreements with the purchasing nation that steer business to the recipient country as part of the deal. The idea is to “offset” some of the immense costs of buying a major weapons system, hence the name for the practice. Offsets and coproduction agreements can involve the assembly of the finished system in the purchasing country, production of components, or investments by the exporting firm in other areas of the recipient nation's economy.

Offset deals, in essence, export jobs to the purchasing nation, thereby reducing the sales' job benefits in the United States. Details on offset and coproduction agreements are closely held, but an annual report on offsets from the U.S. Department of Commerce notes that “offset transactions generally have a negative impact on U.S. inputs because they are

primarily conducted outside the United States and represent activity that is not provided by the U.S. economy.”<sup>34</sup> The department further noted that offsets reported by U.S. firms “could have created or sustained 38,330 employment opportunities if the work associated with those transactions were performed in the United States.”<sup>35</sup>



*“A maintainer from the 51st Munitions Squadron conventional maintenance shop troubleshoots an ammunition loading machine at Osan Air Base, Republic of Korea.” by U.S. Air Force Senior Airman Dillian Bamman/DVIDS*

As a global program with 15 current or potential customers, the F-35 program is particularly noteworthy for the amount of work done by foreign companies. The UK firm BAE produces 15% of the F-35's value, and there are F-35 final assembly and checkout (FACO) plants in Italy

33 Natasha Kurak, “Raytheon International CEO on Sales To Saudi Arabia – ‘We Don’t Make Policy,’” CNBC.com, February 16, 2019, <https://www.cnbc.com/2019/02/16/raytheon-exec-on-sales-to-saudi-arabia-we-dont-make-policy.html>

34 U.S. Department of Commerce, “Offsets in Defense Trade, 24th Study Conducted Pursuant to Section 723 of the Defense Production Act of 1950, As Amended,” July 2020, p. 18, <https://www.bis.doc.gov/index.php/documents/sies/2587-twenty-fourth-report-to-congress-7-20/file>

35 Ibid.

and Japan.<sup>36</sup> If the F-35 deal with the UAE goes through, there will no doubt be some work on the plane done there. Lockheed Martin has a history of working with the UAE defense industry by, for example, helping it develop the capability to produce advanced machine tools used in making defense and aerospace components.

## ARMS SALES AND JOBS

One of the primary rationales used to justify U.S. arms sales is the assertion that weapons exports create large numbers of jobs in the United States. This claim is greatly exaggerated. Arms sales are a poor job creator. Other forms of production, like infrastructure and clean

energy, produce up to 40% more jobs per dollar spent than weapons production.<sup>37</sup> And new markets in areas like green technology are substantially larger than the global arms market. In reality, accompanied by the appropriate economic policies, a reduction in U.S. arms trading could result in a net increase in jobs, not in job loss.

Jobs should not be the determining factor in arms sales decision making, but they too often have been, especially under the Trump administration. The case of Saudi Arabia underscores the large gap between myth and reality with respect to arms sales-related jobs. President Trump repeatedly claimed that there were hundreds of thousands of U.S. jobs tied to arms sales to that nation.<sup>38</sup> He even used this argument in opposing a reduction in U.S. sales to the Saudi regime in the aftermath of the kingdom's murder of U.S.-resident journalist and Washington Post contributor Jamal Khashoggi and its ongoing killing of civilians in its brutal intervention in Yemen. Over the past decade, the major beneficiaries of arms sales to Saudi Arabia have been major contractors like Raytheon (precision-guided munitions and tactical missiles), Lockheed Martin (helicopters, transport aircraft, combat ships, and missile defense systems), Boeing (attack helicopters and combat aircraft), and General Dynamics (bombs and armored vehicles).<sup>39</sup>

President Trump's assertions on arms exports and jobs didn't stand up to even minimal scrutiny. Based on actual deliveries of arms—the best measure of how much money is actually flowing in any given year pursuant to current and past weapons offers—U.S. jobs tied to Saudi arms deals likely numbered in the range of 20,000 to 40,000 jobs. This translates

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36 "F-35 Lightning II Global Enterprise," Lockheed Martin web site, accessed February 18, 2021, <https://www.f35.com/f35/global-enterprise.html>

37 Heidi Garrett-Peltier, "War Spending and Lost Opportunities," Costs of War Project, Brown University, March 2019, <https://watson.brown.edu/costsofwar/files/cow/imce/papers/2019/March%202019%20Job%20Opportunity%20Cost%20of%20War.pdf>

38 Glenn Kessler, *op. cit.*

39 Hartung and Stimpson, *op. cit.*

to less than one-tenth of President Trump's highest claims of employment tied to U.S. arms sales to the regime in Riyadh.<sup>40</sup> The figure is unlikely to increase substantially over the next few years given the dollar value of arms sales to Saudi Arabia in recent years.

U.S. arms sales more broadly also create far fewer U.S. jobs than is commonly assumed. For the most recent year for which data on deliveries under the Foreign Military Sales program is available, they totaled \$27.4 billion, which by standard estimating procedures would generate 189,000 jobs in the United States, in a labor force of over 160 million people.<sup>41</sup> That would put the share of arms export-related jobs at roughly one-tenth of one percent of the total U.S. job market. This figure is likely an overstatement because many of the jobs associated with U.S. arms sales are based overseas due to coproduction and offset agreements. Additionally, many others may not be the equivalent of full-time employment on products destined for foreign customers, as workers switch between production for export and work on weapons purchased by the Pentagon. Near record FMS offers in 2020 will increase this figure in years to come, but the figure is still likely to be a tiny fraction of total jobs nationally. The largest sales, like those of F-35s, involve jobs spread out over many years, so their immediate employment impact is less than one might expect based on the value of a given arms offer.

In addition, U.S. offsets and coproduction agreements clearly drain substantial numbers of jobs from the United States. A few examples in the Middle East should suffice to indicate the substantial impact of these deals. In Saudi Arabia, for example, that country's goal is for 50% of the value of all of its arms imports to be spent in Saudi Arabia by 2030.<sup>42</sup> Examples include a Lockheed Martin deal to assemble helicopters supplied to Saudi Arabia by its Sikorsky helicopter subsidiary in the kingdom.<sup>43</sup> Other U.S. firms like Raytheon and Boeing have set up offices in the Persian Gulf to help them broker similar arrangements in efforts to help countries like Saudi Arabia and the UAE build up their defense industries. Boeing has entered into a \$450 million deal with Saudi Arabian Military Industries (SAMI) aimed at localizing more than one half of maintenance, repair, and overhaul of U.S.-supplied aircraft in Saudi Arabia by 2030, generating 6,000 Saudi jobs in the process.<sup>44</sup> In the UAE, Lockheed

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40 William D. Hartung, "U.S. Military Support for Saudi Arabia and the War In Yemen," Center for International Policy, November 2018, pp. 10-11, [https://docs.wixstatic.com/ugd/3ba8a1\\_5e9019d625e84087af647e6cb91ea3e2.pdf](https://docs.wixstatic.com/ugd/3ba8a1_5e9019d625e84087af647e6cb91ea3e2.pdf)

41 Hartung, Arabia, and Yousif, "The Trump Effect," op. cit., p. 18.

42 Kingdom of Saudi Arabia, Vision 2030, at <https://www.vision2030.gov.sa/en>

43 Vera Bergengruen, "Trump's Historic Arms Deal is Likely a Jobs Creator – In Saudi Arabia," McClatchey News Service, May 24, 2017, at <https://www.mcclatchydc.com/news/politics-government/white-house/article152464404.html>

44 Chirine Mouchantaf, "Boeing Establishes Joint Venture With Saudi Arabian Military Industries for Aircraft Maintenance," Defense News, April 13, 2018, cited in Jodi Vitori, A Mutual Extortion Racket: The Military-Industrial Complex and U.S. Foreign Policy – The Cases of Saudi Arabia and UAE, Transparency International Defense and Security Program, 2019, p. 15; the Defense News piece is available at <https://www.defensenews.com/global/mideast-africa/2018/04/13/boeing-establish>

Martin is helping that country develop factories to produce robotic machine tools, which can be used in the defense and aerospace sectors. It is also helping train UAE personnel in cybersecurity and space technologies.<sup>45</sup> And, as noted above, the largest and most lucrative deals involving overseas production of U.S. weaponry involve work on the F-35 combat aircraft. F-35 offers were also the largest cohort of U.S. arms offers in 2020, which means that sales for that year will have diminished employment impact per dollar spent.

Available data on manufacturing licenses, another form of job export under which foreign firms produce U.S.-developed weaponry or components in their home countries, was extremely limited in 2020. It covered only the first three months of the year and accounted for 10 licenses to seven countries, worth a minimum of \$900 million. These are threshold values, meaning that they are at the low end of the range that was reported, rather than a precise figure. The full figure for 2020 was no doubt much higher than \$900 million. In its first three years in office, the Trump administration sharply increased the number of deals in which foreign nations produce U.S.-developed weaponry in their countries under licensing and coproduction agreements. In 2018 and 2019, the Trump administration entered into 38 and 40 deals involving the manufacture of U.S. weapons or components overseas, worth \$20.3 billion and \$9.1 billion respectively.

Most of the manufacturing licenses issued in 2020 were for work on the F-35 combat aircraft, including Italy, the United Kingdom, and Norway. Japan received a license to produce 2.75-inch rockets and subcomponents; Australia received data and services relevant to the production of unmanned aerial vehicles; and Korea received licenses to produce ammunition for use with artillery systems.

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45 Statement of Marillyn Hewson, CEO, Lockheed Martin Corporation, at the Global Summit of Women Speakers of Parliament, Abu Dhabi, December 13, 2016 at <https://lockheedmartin.com/en-us/news/statements-speeches/2016/1213-hewson-global-summit-women-speakers-parliament-uae.html>

TABLE 3: MANUFACTURING LICENSES 2020

Country	Amount	Item
Australia	\$100,000,000	For the manufacture of significant military equipment abroad and the export of defense articles, including technical data and defense services to Australia to support the design and manufacture of the Aerosonde Mk 4.7G unmanned aircraft system and associated equipment.
Italy	\$100,000,000	To support the manufacture, production, test, and inspection of wing assemblies and sub-assemblies for the F-35 aircraft
Japan	\$100,000,000	To support the manufacture of 2.75-inch rockets and subcomponents, including MK66 rocket motors, M261/M267 submunition warheads, M151 warheads, M274 practice warheads, and WTU-1/B practice warheads
Multi-Country	\$100,000,000	To support the manufacture, repair, and overhaul of the nose wheels, main wheels, carbon brakes, and carbon/carbon composite heat sinks for the end use on the F-35 aircraft.
Multi-Country	\$50,000,000	To support the manufacture, production, test, inspection, modification, enhancement, rework, and repair of the Trailing Edge Flap Bonded Assembly for the F/A-18E/F/G aircraft
Multi-Country	\$100,000,000	To support the manufacture, production, test, and inspection of composite components, subassemblies, and metallic components for the F-35 Joint Strike Fighter (JSF) aircraft center fuselage
Multi-Country	\$50,000,000	The design and development of composite components for the manufacture of subassemblies for the F-35 Lightning II Joint Strike Fighter Center Fuselage
Norway	\$100,000,000	To support the manufacture, production, test, and inspection of vertical tail control surfaces and conventional edges, composite sub-assemblies, and structural parts for the F-35 JSF aircraft

South Korea	\$100,000,000	To support the manufacture of 155mm artillery combustible cartridge cases, 60mm and 81mm mortar increment containers, and 120mm tank combustible cartridge cases
United Kingdom	\$100,000,000	To support the design, development, assembly, testing, qualification, manufacture, and repair of various parts and components used to manufacture the Joint Strike Fighter LiftSystem

## CONGRESS WEIGHS IN

Following upon growing Congressional opposition to sales to Saudi Arabia and the UAE because of their central roles in the Yemen war, key members of Congress have proposed broader solutions to the problem of runaway U.S. arms exports. Examples of legislation introduced during 2019 and 2020 include Rep. Ilhan Omar’s “Stop Arming Human Rights Abusers Act”;<sup>46</sup> Senator Robert Menendez’s Safeguarding Human Rights in Arms Exports

(SAFEGUARD) Act;<sup>47</sup> Sen. Patty Murray’s “Values in Arms Exports Act”;<sup>48</sup> and Sen. Ben Cardin’s “Enhancing Human Rights Protection in Arms Sales Act of 2019.”<sup>49</sup> Provisions of the bills include strengthening consideration of human rights and IHL violations in deciding which nations to arm; expanding the Leahy Law, which stops support for military units engaged in serious human rights abuses, to include arms sales and military assistance; creating bodies charged with investigating and publicizing violations of human rights and IHL by U.S. arms recipients and recommending the termination of sales in cases where violations occur; better tracking of how U.S. arms are actually used once received; and determining whether arms are transferred to non-state actors engaged in committing war crimes or serious hu-

46 The Stop Arming Human Rights Abusers Act is part of a package of bills by Rep. Omar entitled “Pathway to Peace,” background available at <https://omar.house.gov/media/press-releases/rep-omar-introduces-pathway-peace-bold-foreign-policy-vision-united-states> For an analysis of the bill, see William D. Hartung, “Stop Arming Repressive Regimes,” *Forbes*, February 19, 2020, at <https://www.forbes.com/sites/williamhartung/2020/02/19/stop-arming-repressive-regimes/#2b03422b7a65>

47 “Menendez, Leahy and Kaine Unveil Reforms Restricting U.S. Arms Sales to Human Rights Abusers,” Press Release, September 24, 2020, <https://www.menendez.senate.gov/newsroom/press/menendez-leahy-and-kaine-unveil-reforms-restricting-us-arms-sales-to-human-rights-abusers>

48 Congress.gov, “Values in Arms Exports Act of 2020,” <https://www.congress.gov/bill/116th-congress/senate-bill/4739?q=%7B%22search%22%3A%5B%22actionDateChamber%3A%5C%22116%7C%7C2020-09-29%5C%22+AND+%28billsReserved%3A%5C%22N%5C%22+OR+type%3A%5C%22AMENDMENT%5C%22%29%22%5D%7D&s=1&r=8> for a discussion of the bill see Jeff Abramson, “Process Changes Offered As Arms Sales Rise,” *Arms Control Today*, November 2020, <https://www.armscontrol.org/act/2020-11/news/process-changes-offered-arms-sales-rise>

49 “Cardin, Durbin Introduce Bill to Limit Arms Sales to Countries That Commit War Crimes, Human Rights Violations,” Press Release, Office of Sen. Ben Cardin, March 26, 2019, <https://www.cardin.senate.gov/newsroom/press/release/cardin->



"[Abroad] United States Congress" by "Yu-Jen Shih"/ Flick

man rights abuses. Congressional opposition to sales to Saudi Arabia and the UAE began with votes in 2016 aimed at banning the sale of cluster munitions and tanks to the kingdom; it culminated in a successful 2019 vote by both houses of Congress to block a sale of bombs and other equipment to Saudi Arabia and the UAE, which was then vetoed by

President Trump.<sup>50</sup> In addition, in December of 2020, the Senate resolutions of disapproval

of proposed sales of bombs, armed drones, and combat aircraft to the UAE were narrowly defeated, with virtually all Democratic senators voting for both resolutions.<sup>51</sup>

A proposal that has garnered increasing interest is one that would “flip the script” on arms sales decision making by requiring an affirmative vote of Congress before sales of concern can move forward. This would strengthen the hand of Congress relative to current practice, which requires a veto-proof majority of both houses to stop a sale.<sup>52</sup>

durbin-introduce-bill-to-limit-us-arms-sales-to-countries-that-commit-war-crimes-human-rights-violations#:~:te

50 Alex Emmons, “Worried About ‘Stigmatizing’ Cluster Bombs, House Approves More Sales to Saudi Arabia,” *The Intercept*, June 16, 2016, <https://theintercept.com/2016/06/16/worried-about-stigmatizing-cluster-bombs-house-approves-more-sales-to-saudi-arabia/> Patricia Zengerle, “Senate Clears Way for \$1.15 Billion Arm Sale to Saudi Arabia,” *Reuters*, September 21, 2016, <https://www.reuters.com/article/us-usa-saudi-defense-congress/senate-clears-way-for-1-15-billion-arms-sale-to-saudi-arabia-idUSKCN11R2LU> and Joe Gould, “Senate Allows Arms Sales to Saudi Arabia, Sustaining Trump Vetoes,” *Defense News*, July 29, 2019, <https://www.defensenews.com/congress/2019/07/29/us-senate-allows-arms-sales-to-saudi-arabia-sustaining-trump-vetoes/>

51 Patricia Zengerle, “U.S. Senate Backs Massive Arms Sale to UAE After Trump Veto Threat,” *Reuters*, December 9, 2020, <https://www.reuters.com/article/us-usa-emirates-arms/u-s-senate-backs-massive-arms-sales-to-uae-after-trump-veto-threat-idUSKBN28J2BZ>

52 Dan Mahanty and Annie Shiel, “Time to Flip the Script on Congressional Arms Sales Powers,” *The Hill*, March 15, 2020, <https://thehill.com/opinion/national-security/487347-time-to-flip-the-script-on-congressional-arms-sales-powers>



## Recommendations for the Biden Administration

The Biden administration's decision to stop U.S. support for offensive operations in Yemen, along with relevant arms sales, has opened the door to a broader consideration of U.S. arms sales policy. As noted above, so far two bomb sales to Saudi Arabia announced in December 2020 have been indefinitely paused, and a review of all pending U.S. sales to Saudi Arabia and the United Arab Emirates is being undertaken. More than 80 organizations and individuals involved in promoting arms sales restraint on human rights, humanitarian, and strategic grounds have called on the administration to interpret its mandate broadly by ending tens of billions in sales offered to Saudi Arabia and the UAE since the beginning of 2019.<sup>53</sup>

Among the steps the Biden administration can and should take are the following:<sup>54</sup>

- Expand the administration's review of pending arms sales to include scrutiny of all current sales prior to delivery;
- Recommit to the global Arms Trade Treaty, and seek ratification by Congress;
- Develop and release a new Conventional Arms Sales policy directive that prioritizes human rights and international humanitarian law (IHL) and de-emphasizes industry concerns;
- Apply the Leahy Law to arms sales as well as military assistance;
- Require a risk assessment of all proposed transfers that includes consideration of human rights, IHL, potential for corruption, and possible unauthorized transfers to third parties;
- Strengthen end-use monitoring procedures and include consideration of human rights, corruption, and civilian harm;
- Restore State Department authority over firearms exports, and require Congressional notification of firearms deals worth \$1 million or more;
- Provide public reporting on Direct Commercial Sales notifications and deliveries;
- Notify Congress 60 days in advance of deliveries of FMS or Direct Commercial Sales;

53 "80+ Orgs and Experts to Biden: To Fulfill Promise of Ending U.S. Support in Yemen, Cancel \$36.5 Billion in Military Support," press release, February 16, 2021, <https://winwithoutwar.org/80-orgs-and-experts-to-biden-to-fulfill-promise-of-ending-u-s-support-in-yemen-cancel-36-5b-in-military-support/>

54 For a detailed discussion of these recommendations, see Annie Shiel, Seth Binder, Jeff Abramson, William Hartung, Rachel Stohl, Diana Ohlbaum, Adam Isacson, Brittany Benowitz and Daniel R. Mahanty, "Toward a More Responsible U.S. Arms Trade Policy: Recommendations for the Biden-Harris Administration," *Just Security*, January 19, 2021, <https://www.justsecurity.org/74254/toward-a-more-responsible-us-arms-trade-policy-recommendations-for-the-biden-harris-administration/>

- Require detailed reporting on offset and coproduction agreements tied to foreign arms sales, including dollar value and specific components produced; and
- Work with Congress to reform the Arms Export Control Act to require affirmative Congressional approval of a subset of risky sales—as proposed by President Biden when he served in the Senate.

## APPENDIX: U.S. ARMS OFFERS 2020

Date	Country	Program	Amount	Description
7-Jan-20	United Kingdom	DCS	\$100,000,000	To support and install the MK 45 mod 4 naval gun system, type 26 ammunition handling system, and ammunition lift on the type 26 Maritime Indirect Fire System.
8-Jan-20	Australia	DCS	\$1,000,000	120mm .50 caliber inbore sub-caliber training devices.
9-Jan-20	Singapore	FMS	\$2,750,000,000	F-35B Short Take-Off and Vertical Landing (STOVL) Aircraft and related equipment.
15-Jan-20	Australia	FMS	\$1,500,000,000	Long lead items, engineering development activities, and other defense services to support the Australian Surface Combatant Program.
15-Jan-20	Norway	DCS	\$100,000,000	To support the manufacture, production, test, and inspection of vertical tail control surfaces and conventional edges, composite sub-assemblies, and structural parts for the F-35 JSF aircraft.
15-Jan-20	United Kingdom	DCS	\$100,000,000	To support the design, development, assembly, testing, qualification, manufacture, and repair of various parts and components used to manufacture the Joint Strike Fighter LiftSystem.
15-Jan-20	Thailand	DCS	\$1,000,000	9mm semi-automatic pistols.
28-Jan-20	Estonia	DCS	\$1,000,000	5.56mm and 7.72mm automatic rifles, sound suppressors, and major components

28-Jan-20	Italy	DCS	\$100,000,000	To support the manufacture, production, test, and inspection of wing assemblies and sub-assemblies for the F-35 aircraft.
3-Feb-20	United Kingdom	DCS	\$100,000,000	The Javelin anti-tank weapon system, including all variants up to the FGM-148 (G-Model) and all Command Launch Unit variants up to the light weight command launch unit.
7-Feb-20	Australia	FMS	\$990,000,000	Long Range Anti-Ship Missiles (LRASMs) and Related Equipment.
10-Feb-20	India	FMS	\$1,867,000,000	Integrated Air Defense Weapon System (IADWS) and Related Equipment and Support.
11-Feb-20	Multi-country	DCS	\$100,000,000	To support the manufacture, repair, and overhaul of the nose wheels, main wheels, carbon brakes, and carbon/carbon composite heat sinks for the end use on the F-35 aircraft.
11-Feb-20	Thailand	DCS	\$1,000,000	M2HB .50 caliber automatic machine guns, and M60E6 conversion kits with spare barrels.
11-Feb-20	Israel	DCS	\$100,000,000	To support the production, inspection, assembly, testing, and repair of top-level assemblies, sub-assemblies, and components used in the Spice Family of Gliding Bomb Assemblies.

24-Feb-20	Multi-country	DCS	\$50,000,000	To support the manufacture, production, test, inspection, modification, enhancement, rework, and repair of the Trailing Edge Flap Bonded Assembly for the F/A-18E/F/G aircraft.
24-Feb-20	Japan	DCS	\$100,000,000	To support the manufacture of 2.75-inch rockets and subcomponents, including MK66 rocket motors, M261/M267 submunition warheads, M151 warheads, M274 practice warheads, and WTU-1/B practice warheads.
24-Feb-20	South Korea	DCS	\$100,000,000	To support the manufacture of 155mm artillery combustible cartridge cases, 60mm and 81mm mortar increment containers, and 120mm tank combustible cartridge cases.
24-Feb-20	Multi-country	DCS	\$100,000,000	To support the manufacture, production, test, and inspection of composite components, subassemblies, and metallic components for the F-35 Joint Strike Fighter (JSF) aircraft center fuselage.
26-Feb-20	Jordan	FMS	\$300,000,000	Artillery Command, Control and Communications (C3) Equipment.

26-Feb-20	Netherlands	FMS	\$85,000,000	MK-48 Torpedo Conversion Kits
26-Feb-20	Tunisia	FMS	\$325,800,000	AT-6 Light Attack Aircraft
3-Mar-20	Israel	FMS	\$2,400,000,000	KC-46A Aerial Refueling Aircraft
3-Mar-20	Morocco	FMS	\$239,350,000	M88A2 Heavy Equipment Recovery Combat Utility Lift and Evacuation System, Support, and Equipment
3-Mar-20	Mexico	DCS	\$1,000,000	the U.S. Munitions Lists of 9mm semi-automatic pistols
3-Mar-20	Multi-country	DCS	\$50,000,000	The design and development of composite components for the manufacture of subassemblies for the F-35 Lightning II Joint Strike Fighter Center Fuselage.
4-Mar-20	Poland	FMS	\$100,000,000	Javelin Missile and Command Unit Launch and related equipment.
10-Mar-20	Oman	DCS	\$1,000,000	9mm semi-automatic pistols.
10-Mar-20	Singapore	DCS	\$50,000,000	To support the maintenance, repair, and overhaul of F100 engines.
10-Mar-20	Thailand	DCS	\$50,000,000	To support the sale, delivery, operation, and maintenance for S-70i helicopters.
10-Mar-20	Australia	DCS	\$100,000,000	For the manufacture of significant military equipment abroad and the export of defense articles, including technical data and defense services to Australia to support the design and manufacture of the Aerosonde Mk 4.7G unmanned aircraft system and associated equipment.
30-Mar-20	South Korea	FMS	\$194,000,000	F-16 Identification Friend or Foe (IFF) & Link 16 Upgrades

10-Apr-20	South Korea	FMS	\$675,000,000	F-35 Follow-On Support
10-Apr-20	Netherlands	FMS	\$40,550,000	Excalibur Projectiles.
13-Apr-20	India	FMS	\$63,000,000	MK 54 Lightweight Torpedoes
13-Apr-20	India	FMS	\$92,000,000	AGM-84L Harpoon Air-Launched Block II Missiles
14-Apr-20	Morocco	FMS	\$62,000,000	AGM-84L Harpoon Air Launched Block II Missiles
23-Apr-20	United Arab Emirates	FMS	\$150,000,000	Foreign Military Sales Order (FMSO) II Case
30-Apr-20	Philippines	FMS	\$450,000,000	AH-1Z Attack Helicopters and Related Equipment and Support
30-Apr-20	Philippines	FMS	\$1,500,000,000	Apache AH-64E Attack Helicopters and Related Equipment and Support
7-May-20	Egypt	FMS	\$2,300,000,000	AH-64E Refurbished Apache Attack Helicopters and Related Equipment and Support
7-May-20	United Arab Emirates	FMS	\$556,000,000	Mine Resistant Ambush Protected (MRAP) Vehicles
8-May-20	Hungary	FMS	\$230,000,000	Advanced Medium Range Air-to-Air Missiles Extended Range
20-May-20	Taiwan	FMS	\$180,000,000	MK-48 Mod6 Advanced Technology (AT) Heavy Weight Torpedoes (HWT) and Related Equipment

28-May-20	Kuwait	FMS	\$800,000,000	<p>Patriot Advanced Capability (PAC-3) Missile Segment Enhancements (MSEs) with canisters; Patriot MSE test missiles; Patriot modification kit, missile launchers A902+ Series to A903 Series; PAC-3 Missile Round Trainer (MRT); and Empty Round Trainer (ERT). Also included is Flight Test Target -Zombie, PAC-3 missile spares held in Continental United States (CONUS) for repair and return, PAC-3 telemetry kits, training devices, simulators, transportation, organizational equipment, spare and repair parts, support equipment, tools and test equipment, technical data and publications, personnel training and training equipment, U.S. government and contractor engineering, technical, and logistics support services.</p>
28-May-20	Kuwait	FMS	\$200,000,000	<p>Patriot missile Repair and Return program. Included are Patriot GEM-T missile and missile components repair services, transportation, organizational equipment, repair parts, support equipment, tools and test equipment, technical data and publications, personnel training and training equipment, maintenance services, U.S. government and contractor engineering, technical, and logistics support services, and other related elements of logistics support.</p>



28-May-20	Kuwait	FMS	\$425,000,000	Patriot program sustainment and technical assistance as follow-on support. Included are PAC-3 Field Surveillance Program (FSP) services, storage and aging, surveillance firing, stockpile reliability, shared and country unique Patriot PAC-3 Missile Support Center (P3MSC) support, parts library, technical support.
17-Jun-20	Canada	FMS	\$862,300,000	Hornet Extension Program: Sidewinder AIM-9X Block II Tactical missiles and radar equipment
17-Jun-20	Ukraine	FMS	\$600,000,000	Mark IV Patrol Boats and Related Equipment
6-Jul-20	France	FMS	\$2,000,000,000	E-2D Advanced Hawkeye Aircraft, Spares and Support Equipment
6-Jul-20	Lithuania	FMS	\$380,000,000	UH-60M Black Hawk Helicopters and Related Equipment
6-Jul-20	Israel	FMS	\$3,000,000,000	JP-8 Aviation Fuel, Diesel Fuel, and Unleaded Gasoline
6-Jul-20	Indonesia	FMS	\$2,000,000,000	MV-22 Block C Osprey Aircraft and Related Equipment
6-Jul-20	Argentina	FMS	\$100,000,000	M1126 Stryker Infantry Carrier Vehicles and related equipment
7-Jul-20	Jordan	FMS	\$23,000,000	UH-60M Black Hawk Helicopter and Related Equipment
9-Jul-20	Japan	FMS	\$23,110,000,000	F-35 Joint Strike Fighter Aircraft and Related Equipment
9-Jul-20	Taiwan	FMS	\$620,000,000	Recertification of Patriot Advanced Capability-3 (PAC-3) Missiles

9-Jul-20	Germany	FMS	\$130,000,000	MK 54 All Up Round Lightweight Torpedoes, MK 54 Conversion Kits and Related Equipment
9-Jul-20	Belgium	FMS	\$33,300,000	All Up Round MK 54 LWT Mod 0 Torpedoes
10-Jul-20	South Korea	FMS	\$250,000,000	Support equipment for the Peace Krypton Reconnaissance Aircraft
23-Jul-20	Chile	FMS	\$634,700,000	F-16 modernization equipment and related services.
27-Jul-20	Netherlands	FMS	\$39,000,000	AIM-120C-8 Advanced Medium Range Air-to-Air Missiles (AM-RAAM) and related equipment
28-Jul-20	Kuwait	FMS	\$59,600,000	M1A2K Training Ammunition and related equipment
30-Jul-20	Philippines	FMS	\$126,000,000	Scout, Assault, and Light Support Boats with armaments and related equipment
26-Aug-20	United Kingdom	FMS	\$46,000,000	AGM-114R2 Hellfire missiles
26-Aug-20	Japan	FMS	63,000,000	AIM-120C-8 Advanced Medium Range Air-to-Air Missiles (AM-RAAM) with support
2-Sep-20	Spain	FMS	\$248,500,000	AIM-120C-7/8 Advanced Medium Range Air-to-Air Missiles (AMRAAM) and AMRAAM Guidance Section (spare) and related equipment
2-Sep-20	France	FMS	\$350,000,000	AE-2100D Turbo Prop engines and Multifunctional Information Distribution System-Low Volume Terminal Block Upgrade Two (MIDS-LVT BU2) and related equipment

24-Sep-20	United Kingdom	FMS	\$401,300,000	Follow-on C-17 aircraft Contractor Logistics Support (CLS) and related equipment
24-Sep-20	Netherlands	FMS	\$241,000,000	Patriot Advanced Capability-3 (PAC-3) Missile Segment Enhancement (MSE) missiles and related equipment
28-Sep-20	Japan	FMS	\$55,311,000	Rolling Airframe Missiles (RAM) Block 2 Tactical Missiles and related equipment
30-Sep-20	Switzerland	FMS	\$7,452,000,000	F/A-18E/F Super Hornet Aircraft and related equipment
30-Sep-20	Switzerland	FMS	\$2,200,000,000	Patriot Configuration-3+ Modernized Fire Units and related equipment
30-Sep-20	Switzerland	FMS	\$6,580,000,000	F-35 Joint Strike Fighter Aircraft and related equipment
30-Sep-20	India	FMS	\$90,000,000	Items and services to extend follow-on support for their fleet of C-130J Super Hercules Aircraft and related equipment
1-Oct-20	South Korea	FMS	\$158,100,000	AIM-9X Block II Tactical Sidewinder Missiles and related equipment
1-Oct-20	Egypt	FMS	\$417,000,000	Maritime Domain Awareness (MDA) System
9-Oct-20	Finland	FMS	\$12,500,000,000	F-35 Joint Strike Fighter Aircraft with air-to-air missiles and air-to-ground precision guided munitions
9-Oct-20	Finland	FMS	\$14,700,000,000	F/A-18E/F Super Hornet and EA-18G Growler Aircraft and weapons

16-Oct-20	Romania	FMS	\$300,000,000	Naval Strike Missile (NSM) Coastal Defense Systems (CDS)
21-Oct-20	Taiwan	FMS	\$367,200,000	MS-110 Recce Pods and related equipment - TECRO
21-Oct-20	Taiwan	FMS	\$1,008,000,000	AGM-84H Standoff Land Attack Missile Expanded Response (SLAM-ER) Missiles - TECRO
21-Oct-20	Taiwan	FMS	\$436,100,000	High Mobility Artillery Rocket Systems (HIMARS) M142 Launchers and related equipment - TECRO
26-Oct-20	Taiwan	FMS	\$2,370,000,000	Harpoon Coastal Defense Systems (HCDS) and related equipment
30-Oct-20	Australia	FMS	\$46,000,000	Javelin FGM-148E Missiles and related equipment
30-Oct-20	Guyana	FMS	\$256,000,000	Bell 412EPI and 429 Helicopters
3-Nov-20	Taiwan	FMS	\$600,000,000	Weapons-Ready MQ-9B Remotely Piloted Aircraft
3-Nov-20	Romania	FMS	\$175,400,000	F-16 Modernization and Logistics Support and related equipment
5-Nov-20	Canada	FMS	\$500,000,000	"Standard Missile 2 (SM-2) Block IIC missiles and related equipment "
10-Nov-20	United Arab Emirates	FMS	\$10,000,000,000	"Munitions, Sustainment and Support"
10-Nov-20	United Arab Emirates	FMS	\$10,400,000,000	F-35 Joint Strike Fighters and related equipment
10-Nov-20	United Arab Emirates	FMS	\$2,970,000,000	MQ-9B Remotely Piloted Aircraft and related equipment

1-Dec-20	Croatia	FMS	\$757,000,000	Refurbishment/modernization and support for seventy-six (76) M2A2 Operation Desert Storm (ODS) Bradley Fighting vehicles and related equipment.
1-Dec-20	Lebanon	FMS	\$55,500,000	Up to three hundred (300) M1152 High Mobility Multi-purpose Wheeled Vehicles (HMMWVs) and related equipment.
1-Dec-20	Saudi Arabia	FMS	\$350,000,000	U.S. Security Assistance Office (SAO) support services to include technical assistance and advisory support to the Kingdom of Saudi Arabia's Ministry of Defense (MOD) for an additional five years, through the U.S. Military Training Mission to Saudi Arabia (USMTM).
1-Dec-20	Canada	FMS	\$275,000,000	C-17 Sustainment and related equipment
1-Dec-20	Brazil	FMS	\$70,000,000	MK 54 Lightweight Torpedoes and related equipment
1-Dec-20	South Korea	FMS	\$39,000,000	Two (2) MK 15 MOD 25 Phalanx Close-In Weapons System (CIWS) Block 1B Baseline 2 (IB2) systems and related equipment.
4-Dec-20	Australia	FMS	\$132,200,000	155mm Ammunition and Accessories, and related equipment
7-Dec-20	Taiwan	FMS	\$280,000,000	Field Information Communications System (FICS) and related equipment

15-Dec-20	Italy	FMS	\$500,000,000	Gulfstream G550 Aircraft with Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) Mission Systems and related equipment
23-Dec-20	Kazakhstan	FMS	\$128,100,000	King Air B300ER Scorpion Aircraft with Intelligence, Surveillance, Reconnaissance (ISR) Mission Systems and related equipment
29-Dec-20	Egypt	FMS	\$104,000,000	Large Aircraft Infrared Countermeasures (LAIRCM) System for Head-of-State Aircraft and related equipment
29-Dec-20	Egypt	FMS	\$65,600,000	Sniper Advanced Targeting Pods (ATPs) and related equipment
29-Dec-20	Kuwait	FMS	\$4,000,000,000	AH-64E Apache Helicopters and related equipment
29-Dec-20	Kuwait	FMS	\$200,000,000	System Spares for Patriot Configuration 3+ and related equipment
29-Dec-20	Saudi Arabia	FMS	\$290,000,000	GBU-39 Small Diameter Bomb I (SDB I) Munitions and related equipment



2000 M Street, NW Suite 720  
Washington, D.C. 20036

**Phone:** +1 (202) 232-3317

**Email:** [info@internationalpolicy.org](mailto:info@internationalpolicy.org)

[www.internationalpolicy.org](http://www.internationalpolicy.org)



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