

# How Arms Sales Distort US Foreign Policy

**Exclusive:** Money may not be the root of all evil but it surely contributes to horrible war crimes when lucrative arms sales distort U.S. foreign policy and cause selective outrage over human rights atrocities, writes Jonathan Marshall.

By Jonathan Marshall

Forget oil. In the Middle East, the profits and jobs reaped from tens of billions of dollars in arms sales are becoming the key drivers of U.S. and British policy. Oil still matters, of course. So do geopolitical interests, including military bases, and powerful political lobbies funded by Israel, Saudi Arabia, and the other Gulf states.

But you can't explain Washington's deference to Saudi Arabia, despite its criminal war in Yemen and its admitted support for Islamist extremism, without acknowledging the political pull generated by more than \$115 billion in U.S. military deals with Saudi Arabia authorized since President Obama took office.

As arms sales expert William Hartung observed earlier this year, "U.S. arms deliveries to Saudi Arabia have increased by 96% compared to the Bush years. . . . In 2014 alone more than 2,500 Saudi military personnel received training in the United States."

These deals have generated huge new business opportunities for politically powerful U.S. contractors such as Lockheed Martin, General Dynamics, Boeing, and Raytheon. Neither the White House nor Congress will let mere war crimes stand in the way of continued sales that fund thousands of jobs.

The Pentagon approved its latest \$1.2 billion deal, including more than 130 Abrams tanks (produced by General Dynamics), in early August, just as Saudi Arabia resumed airstrikes on the ancient Yemeni capital of Sanaa, killing nine civilians at a potato chip factory.

A spokesperson for Human Rights Watch said at the time, "The Saudi-led coalition's campaign in Yemen has been devastating for civilians (and) the U.S. should be suspending arms sales to Saudi Arabia, not approving more."

On Sept. 22, 71 members of the U.S. Senate rejected that advice and approved the deal, even as another Saudi-led air strike killed at least 26 civilians and wounded 60 more in a residential neighborhood of the port city of Hodeidah. A few days later the coalition killed another 10 civilians in the provincial capital city of Ibb.

The *Guardian* reports that "more than one-third of all Saudi-led air raids on

Yemen have hit civilian sites” – a figure that strongly suggests such targeting is a matter of policy, not mere bad luck. These attacks are fomenting rising support for Al Qaeda and other extremists in Yemen, subverting Western security interests.

Yet U.S. Ambassador to the United Nations Samantha Power, who rips Moscow and Damascus for “barbarism” and “laying waste to what is left of an iconic Middle Eastern city,” is strangely silent when the target is Sanaa rather than Aleppo, and the perpetrator is Riyadh rather than Assad.

### **Great Britain Fuels the Fires**

The same is true of the U.K. ambassador to the UN, who accused the Syrian government of a “sick bloodlust against its people,” while his own government blocked a European Union investigation of war crimes in Yemen.

One reason may be that Great Britain has sold almost \$3 billion worth of arms to Saudi Arabia since it intervened in Yemen’s civil war a year and a half ago. Those sales provide plenty of reason to duck accountability.

A hard-hitting British parliamentary report this month concluded that British weapons – including notoriously indiscriminate cluster munitions – have almost certainly contributed to attacks by the Saudi coalition on targets such as “camps for internally displaced persons and refugees; civilian gatherings, including weddings; civilian vehicles, including buses; civilian residential areas; medical facilities; schools; mosques; markets, factories and food storage warehouses.”

The report called on the British government to stop ignoring blatant evidence of Saudi war crimes and suspend arms sales pending “an independent, United-Nations-led inquiry” into violations of international law.

“[Her Majesty’s] Government has obligations under the Arms Trade Treaty, as well as European and domestic law, to ensure there is no risk that arms it has licensed might be used in contravention of international humanitarian law,” the report declared.

“Saudi Arabia is one of our closest allies. However, the weight of evidence of violations of IHL (international humanitarian law) by the Saudi-led coalition in Yemen is now so great that it is very difficult to continue to support Saudi Arabia while maintaining the credibility of our arms licensing regime.”

### **The BAE Bribery Scandal**

The link between British foreign policy and arms sales was conclusively

established during a multi-year investigation of suspected bribes and kickbacks by arms giant BAE Systems, related primarily to its \$80 billion Al Yamamah (“Dove”) arms deal, initially signed in 1985 by the Thatcher government, to sell fighter planes to Saudi Arabia. In 2010, BAE pleaded guilty to two criminal charges and agreed to pay nearly \$450 million in penalties.

In 2006, British Prime Minister Tony Blair ordered a halt to his government’s investigation of BAE’s alleged corrupt practices, including payments to Saudi Prince Bandar bin Sultan, former ambassador to the United States and a close confidant of the Bush family.

Bandar was not charged in the BAE case, and denied doing anything improper, but his suspicious receipt of \$17 million in an account at Riggs Bank in Washington D.C. – ostensibly for “home improvement” – triggered the start of a bribery investigation of BAE.

(Riggs Bank had previously been identified as the source of funds sent from Bandar’s wife to two of the 9/11 hijackers. The recently declassified pages of the 9/11 commission report revealed indirect ties between Bandar and a senior Al Qaeda operative – a finding that former Sen. Bob Graham called “one of the most stunning parts of the investigation.”)

In 2008, a federal judge froze Bandar’s U.S. assets after a small Michigan pension fund with holdings in BAE sued its directors for allegedly letting the company pay \$2 billion in bribes to Bandar.

According to the London *Sunday Times*, Bandar was instrumental in stopping an investigation by Britain’s Serious Fraud Office of BAE’s dealings with Saudi Arabia. The prince reportedly went to Prime Minister Blair in 2006 to say, “Get it stopped.” He allegedly warned the fighter plane contract would be terminated and “intelligence and diplomatic relations would be pulled.”

Following a spate of media revelations, Blair defended his decision to shut down the investigation of BAE on national security grounds.

“This investigation, if it had it gone ahead, would have involved the most serious allegations in investigations being made into the Saudi royal family,” he said. “Quite apart from the fact that we would have lost thousands, thousands of British jobs.” (A U.S. investigation continued, leading to the company’s eventual guilty plea.)

Blair has continued his cozy relations with Riyadh over the years. In 2008, as Special Envoy to the Middle East, he “lavished praise” on Saudi Arabia’s King Abdullah, touting his many “reforms.” Just two years later, the former prime minister signed a lucrative contract with a company owned by the son of King

Abdullah to promote Saudi oil sales in China. (In 2015, *The Telegraph* estimated Blair's fortune at £60 million, noting that "his financial affairs can appear as complex and opaque as his global influence is remarkable.")

Meanwhile, the Conservative government of David Cameron signed a \$3 billion electronic warfare equipment sale to Saudi Arabia in 2010 – with provisions to siphon off tens of millions of dollars to the Cayman Islands for the benefit of Saudi officials. The Ministry of Defense insisted that any investigation of whistleblower complaints would "compromise" relations between the two countries.

### **Plus ça change . . .**

Today's wildly lucrative military market in the Middle East is reminiscent of the arms bazaar of the 1970s, when Saudi Arabia, Iran and other OPEC countries recycled billions of "petrodollars" by purchasing entire armories from the United States and Great Britain (thus setting the stage for the eventual emergence of radical Islamist critics like Osama bin Laden).

The parallels between then and now are sometimes eerie. In 1979, President Jimmy Carter invoked his executive authority to approve the sale of nearly half a billion dollars' worth of arms to North Yemen without congressional review, following that country's clashes with South Yemen. That sale turned that small and poor country into the third largest recipient of U.S. arms after Israel and Saudi Arabia.

The administration claimed the sale was essential to restoring Saudi confidence in U.S. foreign policy after the fall of the shah of Iran – just as President Obama today keeps reassuring Riyadh of U.S. support following the nuclear deal with Iran.

A few prescient observers questioned whether shoveling more arms into such Middle East conflicts was really in America's best interests. Said Rep. Les Aspin, a Wisconsin Democrat and member of the House Armed Services Committee, "Yemen is an unwise spot on which to stake our prestige. It is yet another case where the United States ... will be unable to exert much control over events with sophisticated military gear. And yet the sale of such equipment sucks us into the whirlpool and puts American prestige on the line. Selling such vast quantities of advanced weapons is almost certainly not the best way of dealing with the sort of tribal conflicts that have beset Yemen for years."

Those words ring as true today as they did 37 years ago. But the name of the game in Washington is money, not taming tribal conflicts. One of the most compelling challenges of our time will be to find a way to take the money out of war so we can refocus our national priorities on peace.

Jonathan Marshall is author or co-author of five books on international affairs, including *The Lebanese Connection: Corruption, Civil War and the International Drug Traffic* (Stanford University Press, 2012). Some of his previous articles for Consortiumnews were “Risky Blowback from Russian Sanctions”; “Neocons Want Regime Change in Iran”; “Saudi Cash Wins France’s Favor”; “The Saudis’ Hurt Feelings”; “Saudi Arabia’s Nuclear Bluster”; “The US Hand in the Syrian Mess”; and “Hidden Origins of Syria’s Civil War.” ]

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