
United States Arms Sales Seen Topping \$40 Billion

By
Andrea Shalal-Esa
Contributing Author to *Reuters*

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Paris

The U.S. government-to-government arms sales are growing fast and will likely exceed the bullish estimate of \$40 billion for 2009, the Pentagon's top arms sales official said on Wednesday at the Paris Air Show. Vice Admiral Jeffrey Wieringa, head of the Pentagon's Defense Security Cooperation Agency, told Reuters it was unclear if arms sales would keep rising, but noted that was possible since several large weapons competitions were underway, and many countries had aging equipment to replace.

Arms sales were at a "pretty unprecedented level" after averaging \$8 billion to \$13 billion per year in the early 2000s, Wieringa said in an interview.

Sales in the first half reached \$27 billion, some 60 percent of the year's expected total, making it likely the actual 2009 total would top \$40 billion, he said.

Wieringa said the Obama administration was committed to building international partnerships, and arms sales were an important instrument of that policy.

"We sell stuff to build relationships," he said, noting that U.S. partners needed the right equipment and training to carry out their security missions.

Wieringa said he participated in 40 separate meetings at the world's largest air show, where U.S. companies display their latest hardware and vie with global competitors for billions of dollars of commercial and military orders.

The show generated less commercial orders than in years past, with the focus on large weapons competitions underway in India, Brazil, Japan and across the Middle East.

Wieringa said the increased focus on global arms sales came at an opportune time for U.S. companies, which face cutbacks in some weapons programs and a flatter overall defense budget.

"Foreign military sales can be a stabilizing factor that keeps jobs stable and production lines stable," he said.

One of the biggest deals on the table is an Israeli order for Lockheed Martin Corporation's F-35 Joint Strike Fighter.

Wieringa said Israeli officials told him at the air show that they expected to submit a letter of request for the weapons program within days, but he had not yet received it.

Brigadier General David Heinz, who heads the Pentagon's F-35 program, told reporters on Wednesday that development and testing of the new fighter jet was going well, and that 6,000 of the new fighter jets could be sold over time as world fleets of F-15, F-16, F-18 and other fighter jets need replacements.

Heinz said the United States and its eight foreign partners on the programs were expected to order more than 3,100 fighters and initial foreign military sales to other countries such as Israel, Spain, Greece, Singapore, South Korea, Japan and Finland could add at least 1,000 more orders.

Heinz said he was confident the F-35 would do well in Japan's FX fighter competition, noting that the Pentagon had repeatedly said it was not offering the F-22, in which Japan has expressed interest in the past, for export.

Bruce Lemkin, Deputy Undersecretary of the U.S. Air Force, told Reuters there was also strong interest in transport planes built by Boeing Co, L-3 Communications Holdings Inc, and Lockheed Martin Corporation.

Lemkin said "quite a few" nations were on the verge of ordering Boeing's C-17 cargo plane, which could help keep the plane in production for one to two more years. A number of European countries could also buy C-17s as part of a strategic airlift alliance, adding to three sold to the group.

There was also strong continued interest in Lockheed's C-130J transport and twenty-five countries were "seriously interested" in the smaller C-27J Joint Cargo Aircraft being built by L-3 and Alenia, a unit of Italy's Finmeccanica Spa.

Lemkin underscored the Obama administration's commitment to expanding partnerships around the world.

We cannot go it alone in this world. We need friends and partners with the right capabilities to take care of their own security, to contribute to regional security, and through that relationship have the ability when it is appropriate . . . to join us in operations against common threats and enemies, Lenkin said.