



This series of bulletins explores many aspects of the global arms trade, including its participants, its promotion, its victims, and some of the lessons of history. The information is very relevant to Canberra Airport with its prominent displays of weapons advertising

Bulletin 6 - August 2017

## LOCKHEED MARTIN No 1 War Profiteer



Lockheed Martin Advert displayed at Canberra Airport

Lockheed Martin is the US's and the world's biggest weapons-producing company. Its arms sales in 2015 totaled over \$46 billion (US), and its profit was \$3.6 billion<sup>1</sup>.

Lockheed Martin's website tells us: "*We solve complex challenges, advance scientific discovery and deliver innovative solutions to help our customers keep people safe and provide them essential services.*" The "innovative solutions" are mostly weapons and related goods, which make up 79% of its total sales<sup>2</sup>.

The company's products and activities include

- aircraft, missiles (its Hellfire missiles are regularly used in drone attacks<sup>3</sup>, missile defence (including THAAD), electronics, unmanned systems and radar systems;
- The Trident II and other nuclear missiles;

<sup>1</sup> SIPRI (Stockholm International Peace Research Institute) Dec 2016

<sup>2</sup> Ibid

<sup>3</sup> William Hartung. Prophets of War: Lockheed Martin and the Making of the Military-Industrial Complex. Nation Books, 2012, p 266

- A major role in military interrogations<sup>4</sup>

Their best known (perhaps most infamous) program is the F-35 Joint Strike Fighter, which has been plagued by development and production difficulties and spiralling costs. The estimated cost to Australia for 72 planes may be up \$24b<sup>5</sup>, with some estimates being much higher<sup>6</sup>. We could buy a lot of health care, education and other essential services for that amount. Canada withdrew from the project in 2015 and has yet to commit to purchase any of the aircraft, though it remains a partner<sup>7</sup>.

### Guarding against an outbreak of peace

Lockheed Martin's activities and statements indicate a pattern of promoting the sales of weaponry to regions where tensions are high or where peace threatens their profits. When the end of the Cold War promised a reduction of East-West tension, Lockheed Martin prepared a series of free "defence planning seminars" for officials in Poland, Hungary and the Czech Republic, showing maps of attacks coming from Russia and possible military hardware to deal with the alleged threat<sup>8</sup>. Lockheed Martin

<sup>4</sup> Hartung p218

<sup>5</sup>

[https://article.wn.com/view/2014/04/23/Running\\_costs\\_double\\_JSF\\_price\\_tag\\_to\\_24b/](https://article.wn.com/view/2014/04/23/Running_costs_double_JSF_price_tag_to_24b/)

<sup>6</sup> <http://www.theaustralian.com.au/national-affairs/defence/are-australians-being-miseled-over-the-real-cost-of-the-f35-joint-strike-fighter/news-story/84959f679258706536efcfcb25439614>

<sup>7</sup>

<https://www.dodbuzz.com/2017/06/21/lockheed-exec-confident-canada-will-pick-f-35-block-buy-eyed/>

<sup>8</sup> Hartung p 194

urged the Clinton administration to dramatically increase funding for missile defence<sup>9</sup>, which is regarded as very threatening by both Russia and China because of its perceived reinforcement of a nuclear first strike capacity.

Lockheed Martin is still prominent among the companies that profit from the tension between Russia and Western countries<sup>10</sup>. At a NATO-Industry Forum in Brussels in November 2016, the company's CEO Marillyn Hewson talked up the "asymmetric threats" that require "an investment in maintaining peace"<sup>11</sup> - not by a greater focus on diplomacy, but by increased military spending.

In relation to the Middle East, company Vice-President (until 2002) Bruce Jackson was a co-founder of the Committee for the Liberation of Iraq<sup>12</sup>, whose policy of invasion has all but destroyed that country; Lockheed Martin was one of the biggest beneficiaries of the Iraq War<sup>13</sup>.

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<sup>9</sup> Hartung, p 203

<sup>10</sup>

[https://www.bizjournals.com/washington/blog/fe/dbiz\\_daily/2015/09/u-s-russian-tensions-to-boost-lockheed-martins.html](https://www.bizjournals.com/washington/blog/fe/dbiz_daily/2015/09/u-s-russian-tensions-to-boost-lockheed-martins.html)

<sup>11</sup>

<http://www.lockheedmartin.com/us/news/speeches/1109-hewson-nato-industry-forum.html>

<sup>12</sup> Hartung p 197

<sup>13</sup> Hartung p 213

East and Asia made them “growth areas” for the firm<sup>14</sup>. Their Middle East customers include Saudi Arabia, despite that country’s bombing of Yemen and appalling record of human rights abuses. In early December 2015, Lockheed Martin Executive Vice-President Bruce Tanner said that the war in Syria brought “indirect benefits” for his company<sup>15</sup>.

### **Hold onto your wallet**

Lockheed Martin, like other weapons manufacturers, would like us to believe that their interests and the national interest are one and the same. “Jobs” and “security” are promoted heavily. In the US, the company employs a huge number of lobbyists, and provides greater political funding than any other weapons maker<sup>16</sup>.

Significantly for countries such as Australia, the company has also set a target to increase exports to 25% of total sales<sup>17</sup>, again using “jobs” as a key argument. The fact that multi-billion dollar expenditures bring some jobs is hardly surprising, but evades the issue of whether we’d do better by putting our billions into other things. Indications from

elsewhere are that military expenditures are very poor job-creators<sup>18</sup>.

In August 2016, Lockheed Martin announced the setting up of a new weapons laboratory - the company’s first outside the US - at Melbourne University, a move that was strongly condemned by the university’s student union, whose spokesperson said that research should only be conducted in the “interests of a better and more peaceful society”<sup>19</sup>. An underwhelming 20 employees within 3 years were predicted<sup>20</sup>. For 20 jobs we get further militarisation of our educational institutions.

William Hartung, author of *“Prophets of War: Lockheed Martin and the Making of the Military-Industrial Complex”*, has a stark warning: *“When an arms company starts bragging about how many jobs its pet project creates, hold onto your wallet. It often means that the company wants billions of dollars’ worth of your tax money for a weapon that costs too much, does too little, and may not have been needed in the first place.”*<sup>21</sup>

Hartung states that Lockheed Martin’s jobs claims were grossly exaggerated as

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<sup>14</sup> <https://theintercept.com/2015/03/20/asked-iran-deal-potentially-slowing-military-sales-lockheed-martin-ceo-says-volatility-brings-growth/>

<sup>15</sup> Lee Fang and Zaid Jilani. Defense Contractors Cite “Benefits” of Escalating Conflicts in the Middle East. The Intercept, 5 Dec 2015

<sup>16</sup> <https://www.opensecrets.org/industries/indus.php?Ind=D>

<sup>17</sup> <http://foreignpolicy.com/2015/05/14/obama-arms-fair-camp-david-weapons-sales-gcc/>

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<sup>18</sup> See for example R Pollin and H Garrett-Peltier. The US Employment Effects of Military and Domestic Spending Priorities: 2011 Update

<sup>19</sup> <http://www.theage.com.au/victoria/students-angry-about-missilemaker-lockheed-martins-lab-at-melbourne-university-20160926-grorqj.html>

<sup>20</sup>

<http://www.lockheedmartin.com.au/au/news/press-releases/2016/02082016.html>

<sup>21</sup> New Internationalist, December 2011

they claimed many more indirect jobs than other studies in the field<sup>22</sup>.

In relation to Lockheed Martin's claim of enhancing our "security", there is no evidence that a country's security relates to its degree of weaponisation; many would argue to the contrary, particularly as Australia's role as a bombing partner to the US in the "war on terror" undermines our security<sup>23</sup>.

The *Wall Street Journal* wrote this of Hartung's book:

*"Mr Hartung paints a portrait of a company with tentacles everywhere, from the Pentagon and Congress to agents in foreign governments, a company that feeds the forces of militarism around the world and enriches itself in the process..."*

The latter is commonly known as war profiteering.

### **WMD's: still a good money-spinner?**

On 7 July 2017, the UN made historic progress in delegitimising every one of the 15,000 nuclear weapons that exist, with the adoption of the Treaty on the Prohibition of Nuclear Weapons. The Treaty will be open for signature on 20 September and will come into force when 50 countries have signed and ratified it, which is very likely to be within the next

year. It will be a powerful additional tool in the growing international movement for the abolition of all of these most terrifying and destructive of all weapons. Lockheed Martin, as one of the big players in their manufacture, will need to decide whether it wants to live with the stigma of producing weapons that have been outlawed and rejected as illegitimate by a large majority of nations.



- **Watch our video "Sanitising War"**, filmed at Canberra airport and featuring Lockheed Martin's sleek bloodless version of their weaponry.

<https://vimeo.com/206152715>

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The No Airport Arms Ads campaign was formed because weapons advertisements are inappropriate at a major gateway to our national capital. They help to normalise warfare by presenting sanitised images of weaponry, and they sell short our city by presenting it as a place focussed on preparing for war

Follow us on

Facebook <https://www.facebook.com/NoAirportArmsAds/>

Website <http://noairportarmsads.org.au>

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<sup>22</sup> Lockheed Martin inflates F35 jobs claims, non-profit says. Tony Cappaccio, Bloomberg News, 22 January 2014

<sup>23</sup> See for example

<http://www.smh.com.au/nsw/australia-could-be-the-next-paris-terrorism-expert-warns-20160303-gn9k68.html>