**Thriving on war and conflict**

Abdul Sattar

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As millions of hapless people grapple with the devastating effects of wars and conflicts in the Middle East, Ukraine and other parts of the world, arms manufacturers and traders across the globe continue to thrive. The stocks of such companies have skyrocketed since the conflict erupted between Moscow and Kiev in February 2022. It is feared that the recent escalation between Israel and Iran will further boost arms sales and also contribute to more death and destruction.

The conflict between Russia and Ukraine forced Nato members to increase spending on defense. Many members of the western military alliance had not been spending 2 percent of their GDP on defense and this was one of the biggest complaints of former American president Donald Trump who lambasted the members for not allocating the promised share of the GDP. But the Ukraine conflict forced many members to revisit their policy with a number of them opting to increase the military budget. This greatly benefited the arms manufacturers of the US and other countries.

For instance, the US weapons sales overseas rose sharply last year, reaching a record total of $238 billion. According to the US State Department, the American government directly negotiated $81 billion in sales, a 56 per cent increase from 2022. The rest were sold directly by US defence companies to foreign nations.

The Russian invasion triggered fears among smaller states, prompting them to consolidate their defences against the irredentist Russian state. Poland, which historically suffered at the hands of Moscow, was especially apprehensive about the machinations of Putin’s Russia. Since the Ukraine conflict, Poland has been on a drive to expand its military. Warsaw bought Apache helicopters for $12 billion, and also paid $10 billion for High Mobility Artillery Rocket Systems (Himars) and $3.75 billion for M1A1 Abrams tanks. It also spent $4 billion on Integrated Air and Missile Defence Battle Command Systems. Poland has more than doubled its arms budget since 2014. Germany spent $8.5 billion on Chinook helicopters. Bulgaria paid $1.5 billion for Stryker armoured vehicles and Norway bought $1bn worth of multi-mission helicopters. The Czech Republic bought $5.6 billion in F-35 jets and munitions.

Other members of the military alliance have also raised their defence spending. According to the Stockholm International Peace Research Institute (SIPRI), defence and security outlay across Europe increased by 16 per cent from 2022 to 2023. A report of SIPRI released recently revealed that military spending in Central and Western Europe is now higher than the last year of the cold war. It says Europe has seen a widespread surge in military spending since the start of 2022, reaching a total of 552 billion euros in 2023. This is a 16 per cent increase more than what the countries concerned spent in 2022, and 62 per cent more compared to 2014, where spending was 330 billion euros.

The UK was on top in military spending in Europe in 2023, with arms purchases making up 2.3 per cent of its GDP. London plans to increase it to 2.5 per cent. Germany also increased its military expenditure, the figure growing by an enormous 48 per cent from 2014 to 2023. The French National Assembly approved a 413 billion euro military budget bill for 2024-2030 at first reading in June last year, with extra lines of credit for nuclear and ammunition to Ukraine.

It is not only the Ukrainian conflict that is fueling the arms sales; the recent escalation in the Middle East is also boosting the arms trade. According to the Guardian, increased military spending prompted by Russia’s war on Ukraine and the Israel-Gaza conflict helped British weapons manufacturer BAE Systems to record profits last year, with further growth expected in the year ahead. The paper has noted that the FTSE 100 company made underlying profits before interest and tax on record sales of GBP25.3 billion in 2023. It wrote that shares in weapons manufacturers have surged in the past two years after Russia’s full-scale invasion of Ukraine in February 2022 made governments reassess their plans for military spending.

Two days after the October 7 attacks by Hamas against Israel, major arms companies witnessed soaring stock prices. Major defence stocks including Lockheed Martin added some $23 billion in market capitalization on October 9 last year. Non-arms manufacturing companies benefited as well. Shares of Lockheed Martin, Northrop Grumman, General Dynamics, L3Harris Technologies, Huntington Ingalls Industries, and Boeing all rose by an average of 6.5 per cent. Shares of Northrop surged more than 11 per cent. Shares of Boeing, which is more of a commercial aerospace company, rose 0.6 per cent.

It is very unfortunate that, despite the slaughter of over 90 million people in the two terrible world wars, humanity seems to be on a killing spree. According to the School of Public Policy, Center for International and Security Studies at Maryland, around 231 million people were killed in wars and conflicts in the 20th century.

The dawn of the 21st century did not augur well either. The terrible 9/11 attacks triggered the massive US response which critics believe also contributed to more death and destruction. The US attack on Afghanistan and Iraq may have succeeded in obliterating Al Qaeda but it also led to the spawning of new terrorist groups that wreaked havoc not only in Iraq and Afghanistan but in Syria, Yemen, Libya, Somalia and other countries as well.

The policy of regime change also triggered more conflicts. Syria lost more than 500,000 people besides witnessing the displacement of over 11 million people. Iraq is believed to have lost over one million people in the invasion and sectarian violence. Yemen continues to suffer because of wars and conflicts while Libya, Somalia, Nigeria and a number of other states are also reeling under the terror of extremist outfits. The number of conflict deaths almost doubled in 2022 when compared to 2021. Wars and conflicts also caused a 13 per cent loss of global GDP, according to the Global Peace Index, released last year by the Institute for Economics and Peace (IEP)

Despite spending over five trillion dollars on the war on terror, the world continues to spend more on defence and military budgets. However, humanity does not seem to have any respite from the horrors of wars and conflicts. The military budget of the world seems to be witnessing a phenomenal surge. SIPRI says total global military expenditure reached $2443 billion in 2023, an increase of 6.8 per cent in real terms from 2022. This was the steepest year-on-year increase since 2009. The 10 largest spenders in 2023 – led by the United States, China and Russia – all increased their military spending.

There could be so many factors for wars and conflicts but one of the main contributing factors is the greed of arms manufacturing companies. It is quite obvious that such companies will financially collapse if the world we live in achieves permanent peace. The influence of such companies cannot be reduced by mere rhetoric or slogans. The jobs of millions of people rest on arms production and their use in wars and conflicts. The two global wars, the cold war and the war on terror increased our dependence for employment on weapons production. Global armed forces are the biggest employers in the world. In addition to that, arms manufacturers in the US, UK, France and several other countries create millions of jobs every year.

Unless we learn to use war technology for civilian purposes, we will continue churning out weapons for which creating conflicts and wars will become inevitable. Therefore, the economic bases of wars have to be eliminated before we can talk about a permanent state of peace in the world.

The writer is a freelance journalist who can be reached at:

egalitarianism444@gmail.com