



October 17, 2018

The Honorable Ted Lieu
236 Cannon House Office Building
Washington, DC 20515

The Honorable Jim McGovern
438 Cannon House Office Building
Washington, DC 20515

Dear Representative Lieu and Representative McGovern:

I am writing to express my support for your bipartisan Arms Sale Oversight Act. This bill would allow every Member of Congress the opportunity to better oversee foreign arms sales to determine that those transactions advance U.S. national security and hold the Department of Defense accountable for sales that risk or undermine our interests. My organization, the Project On Government Oversight (POGO), is a nonpartisan independent watchdog that champions good government reforms. We are glad to see Congress is taking a more active role in asserting its oversight powers and providing the opportunity for an overdue debate over whether these sales achieve our foreign policy goals.

These weapons were developed by defense contractors at taxpayer expense. Far too often, those same defense contractors are allowed to profit from overseas sales when the government waives the requirement for the foreign buyers to reimburse the United States for a portion of the research and development costs associated with those weapons. A recent Government Accountability Office audit found the American people lost \$16 billion on \$250 billion in overseas sales from 2012 to 2017 through such schemes.¹ My organization raised objections to changes to the Arms Export Control Act that created this loophole in the 1990s.²

Global arms sales are an issue that involves much more than simply transferring equipment from seller to buyer. A recent report by the Cato Institute detailed how the United States repeatedly sold weapons to nations with horrendous human rights records, in some cases only to have those weapons fall into the hands of our opponents to be used against American troops. It also found there is little reason to believe these sales benefit U.S. national security or meaningfully influence other countries.³

This bill would strengthen Congress's ability to protect the interests of the American people in foreign arms sales. I am pleased to support it and urge your colleagues to do the same.

Sincerely,

Danielle Brian
Executive Director

¹ Government Accountability Office, *Foreign Military Sales: DOD Should Take Additional Steps to Streamline Process for Assessing Potential Recovery of Certain Acquisition Costs*, January 31, 2018. <https://www.gao.gov/assets/690/689759.pdf>

² Project On Government Oversight, *Corporate Welfare for Arms Merchants: U.S. Subsidies Benefit Our Adversaries—Not Ourselves*, June 1995. http://www.pogoarchives.org/strauss/cdi_archive/Corporate-Welfare-for-Arms-Merchants-Report_199506.pdf

³ A. Trevor Thrall and Caroline Dorminey, *Risky Business: The Role of Arms Sales in U.S. Foreign Policy*, March 13, 2018. <https://www.cato.org/publications/policy-analysis/risky-business-role-arms-sales-us-foreign-policy#full>