



How Russia's Invasion of Ukraine Is Reshaping the Global Arms Market Implications for the Middle East and Beyond

Grant Rumley and Louis Dugit-Gros



A Ukrainian soldier walks by a destroyed Russian tank in Novodarivka, Ukraine, July 2, 2023. REUTERS

Executive Summary

Of the many repercussions of Russia's Ukraine invasion, few will likely be more pronounced than those affecting the global arms market, where the drop in Russian supply is likely greater than at any time since the collapse of the Soviet Union. Whether through battlefield loss, the cumulative effect of Western sanctions, or simply the reputational damage suffered by Russian platforms, Moscow will struggle in the coming years to maintain its status as a top global arms exporter. In the resulting gap, several trends are already emerging with implications for both the global market and the Middle East and North Africa region, long home to some of the world's largest defense spenders.

Perhaps the most glaring trend involves the unpreparedness of the collective Western defense industrial base to provide consistent support in a protracted high-tempo conflict. Ukraine has revealed the ill effects of U.S. stockpile shortages and disunity in European defense communities. As the United States and other Ukraine supporters have had to ramp up production to meet Kyiv's needs, other customers have reevaluated their own defense acquisition strategies. Overreliance on a single source for arms, whether the United States or Russia, has proven a liability in the post-invasion marketplace and prompted countries to consider developing their domestic defense industrial bases or to seek out alternative suppliers.

At the forefront of this emerging dynamic is the Middle East and North Africa region, home to two of the largest importers of Russian weaponry (Algeria and Egypt), two of the fastest-growing global arms exporters (Israel and Turkey), and several countries pouring money and resources into developing domestic defense industrial bases (e.g., Saudi Arabia, Qatar, and the United Arab Emirates). The Ukraine war, coupled with other regional developments—such as the Abraham Accords, the relocation of Israel to U.S. Central Command, and the end of the Gulf rift—has created an opportunity for unique defense relationships to form. Many regional countries that have long expressed frustration with purchasing military equipment from the United States have likewise resented their reliance on imports to equip their militaries and are looking for solutions on both fronts. This has driven a desire to diversify acquisition sources and develop indigenous industries to better withstand future turbulence in the global marketplace.

Washington and its Western partners can make the most of today's shifting landscape by coordinating their efforts to ensure Ukraine can keep fighting and win, thus setting favorable terms for the postwar environment. Additionally, a Washington-led effort must do the following:

- (1) Set the conditions for the Ukrainian defense establishment to expand and potentially export arms to traditional Russian customers.
- (2) Unify stances on competition with China for influence in third-party countries.
- (3) Plan multiyear defense acquisitions to avoid delays and turbulence for traditional customers.
- (4) Strengthen the European defense industrial base.

In taking these steps, the United States and its Western partners can best capitalize on the post-conflict environment and ensure that Moscow does not recover from its strategic setback.

How Ukraine Is Changing the Global Defense Landscape

The Russian invasion has highlighted a decline in Russian arms on the market, caused a rise in global arms spending, and revealed many of the challenges facing U.S. and Western arms suppliers.

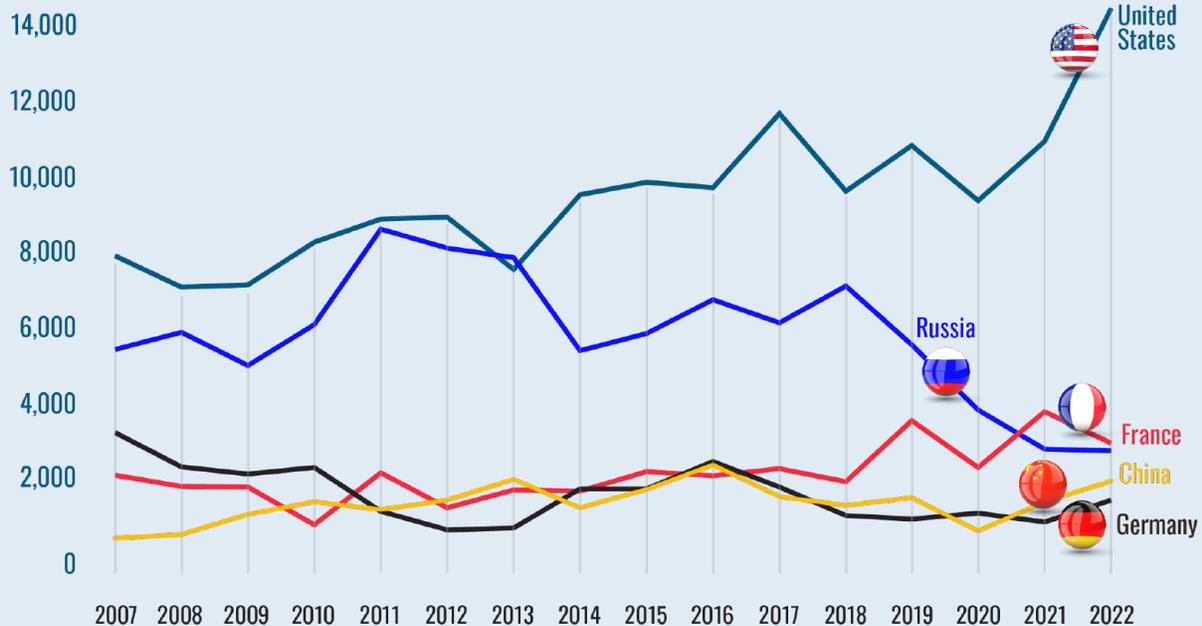
Russia's Invasion Has Highlighted a Decrease in Russian Arms on the Global Market

Arms and arms-related exports comprise a crucial component of the Russian economy. By some estimates, they are just behind oil and gas in terms of

revenues.¹ Yet Russia's invasion will negatively affect Moscow's ability to maintain this flow of weaponry. In fact, the invasion may highlight an existing trend: namely, as shown in a recent Stockholm International Peace Research Institute (SIPRI) study, Russian arms exports dropped by 31 percent between the 2013–17 and 2018–22 time periods, and have consistently been in decline since peaking in 2011.² Russia has historically been one of the world's largest arms exporters, regularly surpassing the United States at times during the Cold War and routinely second only to America in the past two decades.³ A majority of Russian arms exports have historically flowed to five countries—China, Egypt, Algeria, Vietnam, and India—although in recent years Moscow has made notable inroads in other areas like the Sahel.⁴ Yet Moscow's invasion has jeopardized the future of these transactions, and Russia will face several obstacles to maintaining its level of exports:

Figure 1.
Global Arms Exports, 2007–22

Values in Millions per SIPRI's Trend Indicator Value (TIV)



Source: Stockholm International Peace Research Institute

Western sanctions. The Western-led sanctions regime will affect Russia's ability to field and export arms in two distinct ways:

- *By hampering the Russian defense industry's ability to source necessary parts.* Sanctions against the Russian defense industry, levied by the United States and European Union, have targeted military officials, senior defense executives, and the supply chains necessary for sourcing components.⁵ Western countries have increasingly targeted efforts by the Russian defense industry to circumvent and evade sanctions throughout the conflict.⁶ Recent reports suggest Russia has even been attempting to buy back military supplies previously shipped to customers overseas in the hope of repurposing equipment for its platforms.⁷ The cumulative effect is a Russian defense industry, already plagued by pre-2022 sanctions, struggling to rapidly produce and maintain the most advanced armaments in its arsenal.⁸
- *Through the application of sanctions against third-party countries that purchase weapons from Russia.* The most prominent example here is the Countering America's Adversaries Through Sanctions Act, or CAATSA, which directs the United States to levy sanctions against any country or person deemed to be engaging in a "significant transaction" with "a person that is part of, or operates for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation."⁹ CAATSA sanctions were applied against China in 2018 for buying Russian fighter jets and Turkey in 2020 after it acquired the Russian S-400 air defense system, and were reportedly a major consideration in Egypt's decision to walk away from the Su-35 fighter jet deal.¹⁰ In addition to the threat of CAATSA sanctions, countries have been deterred by the prospect of secondary Ukraine-related sanctions. Already, the effect of these sanctions has been visible: India's payments to Russia for more than \$2 billion in weaponry have been stuck since the invasion over India's unwillingness to pay in U.S. dollars, for fear of triggering sanctions.¹¹

Battlefield demand and loss. Perhaps the most obvious obstacle to Russian arms exports is the loss of Russian platforms in Ukraine and the subsequent need to replenish its own forces. A year into the war, estimates from open-source analysis conducted by the Center for Strategic and International Studies indicate Russia has lost at least 9,700 pieces of military equipment, including tanks, artillery systems, and aircraft.¹² Notwithstanding its staggering battlefield losses, there is not necessarily a one-to-one correlation between its losses and arms exports. Russia's most popular exports—fighter jets and air defense systems—have largely been spared the atrophy facing land systems.

Reputational hit. The last time Russian equipment faced Western materiel on the battlefield—during the U.S. invasion of Saddam Hussein's Iraq—it was soundly defeated, dealing a blow to Russia's image as a global arms supplier. The loss by Saddam's Soviet-equipped forces against the U.S.-led coalition sent ripples through the global arms market. Chinese military officials, for instance, had previously seen Iraq's military as "similar and in some cases superior" to its own, but the quick U.S. victory spurred Beijing to modernize its military and reduce its dependence on Russian weaponry.¹³ Of course, the collapse of the Soviet Union played an arguably larger role in the sudden decrease of Russian arms transactions, but the reputational damage from their poor performance lingered. Today, as Ukrainian forces have fielded Western platforms to surprising effect against their Russian adversaries, a similar reputational hit will likely follow for some Russian arms on the market. This will not dissuade all customers, of course, given that many will differentiate the standalone capabilities of some advanced Russian advanced platforms from their weak fielding in the invasion. Some such platforms, such as the S-300 and S-400 air defense systems, or Russia's loitering Lancet drones, have performed well and will likely still appeal to some customers.¹⁴ But undoubtedly, the overall performance of the Russian military and technology will give many customers significant pause when contemplating future purchases.

Russia's Invasion Has Caused Global Defense Spending to Rise

The war in Ukraine and the return of great power competition have already driven up defense spending around the globe, with worldwide expenditures increasing by nearly 4 percent in 2022 to set record highs.¹⁵ Europe has seen the sharpest rise in pledged defense spending, with countries like France, Poland, and Germany announcing plans to massively increase their budgets.¹⁶ In Asia and the Pacific, countries like South Korea, Japan, and Australia have likewise announced plans to increase defense spending.¹⁷ And in the Middle East, which in 2022 featured nine of the top-fifteen countries globally for defense spending relative to GDP, several countries have already boosted their defense spending.¹⁸

Ukraine Has Revealed Challenges Confronting Western Defense Industrial Bases

Many, if not all, of the challenges confronting these countries relate to production and stockpile issues such as the following:

- **The invasion has shed light on Western unpreparedness for high-intensity conflicts.** Although resolute in its determination to support Kyiv, the West quickly had to grapple with the effects of decades of defense budget reductions and inadequate investment in the defense industry. Stockpiles of various types of equipment were revealed to be extremely low.¹⁹ In the United States, this was especially true for munitions, and in Europe for complex combat systems. The depletion of stockpiles even reached a point where it could jeopardize readiness levels, prompting NATO to raise its own targets this past February.²⁰
- **The protracted conflict has revealed Western difficulties in surging production to meet the**

war's continuous demand. The United States and its partners face an even greater challenge in the combined task of supporting Ukraine, replenishing depleted stockpiles, and preparing for potential high-intensity warfare in the future.

- **The difficulties in ramping up production have highlighted existing supply chain issues.** Sourcing the raw materials essential to assemble key combat systems has posed a particular problem, leading to further delays.²¹
- **The invasion has underscored the fragmented nature of European defense industrial bases.** This disconnected environment resulted in the multiplication and overlay of numerous combat systems, prompting even more difficulties.²²

Emerging Trends in the Global Arms Market

As the United States and other Western countries grapple with the challenges of supplying Ukraine in a prolonged conflict, several features are emerging in the post-invasion global arms market, including the rise of alternative suppliers, more widespread efforts by countries to develop their own domestic industrial bases, and a continued focus on air, air defense, and naval platforms.

Lingering Issues Plague the Western Defense Community

On the one hand, the Western response to Russia's invasion and mobilization of materiel support to Ukraine testifies to the strength and speed of the U.S. and European defense communities. On the other hand, the war has shed light on the myriad issues facing these defense communities, whether it is the collective state of the defense industrial bases or ongoing efforts to synchronize acquisition strategies to reduce inefficiencies.

In Europe, in particular, the war has hindered longstanding efforts to integrate defense acquisition strategy. Indeed, many industrial issues stem from the lack of political collaboration between the United States and Europe and the lack of defense-related collaboration between European countries themselves. Difficulties in ramping up production have pushed European countries to buy off-the-shelf from their own companies or even from outside suppliers.²³ This has only emphasized the absence of coordination among European countries on procurement and reinforced a sense of difficulty in developing European combat systems.

The U.S. government has at times played a negative role and deterred European countries from synchronizing their defense industry—in part to advance its own defense industry and arms sales to European purchasers, and in part based on concerns that a European defense strategy outside NATO might devalue the alliance’s collective power.²⁴ European countries have their own significant share of responsibility as well. They have sometimes feared that buying European instead of U.S. equipment would prompt Washington, their main security guarantor, to disengage. Those governments consequently have chosen to slow down European efforts in this field.²⁵ Such enduring difficulties in integrating European defense communities could hamper Europe’s collective production and export capacity, placing Europe at a disadvantage in an era of renewed great power competition.

Alternative Arms Suppliers Look Poised to Take Advantage of the Market

The steady decrease in Russian supply, coupled with a likely backlog in orders from U.S. and European firms, may create a market opportunity for other, non-Western suppliers. Several emerging arms exporters look poised to take advantage. One of the biggest is China, which the United States assessed in 2019 was the fastest-growing arms exporter over the previous fifteen years.²⁶ China is already consistently one of the world’s top-five arms exporting countries,

primarily furnishing aircraft, ships, armored vehicles, and missiles.²⁷ Since 2006, nearly 67 percent of China’s exports have gone to Pakistan, Bangladesh, Myanmar, and Algeria.²⁸ But Beijing has had success penetrating other markets as well: its unmanned aerial vehicles (UAVs) have been purchased widely in the Middle East, and it recently sold the HQ-22 to Serbia, marking its first air defense system delivery to a European country.²⁹ Chinese weapons systems are largely Russian-derived, a feature Beijing will likely market to longstanding purchasers of Russian equipment looking for similar alternatives at attractive price points.

Beyond China, several countries are increasingly offering alternatives to the United States and Russia. Turkey’s arms sales in 2022 reached a record \$4.4 billion, according to President Recep Tayyip Erdogan, in large part due to the popularity of Baykar’s Bayraktar TB2 UAV.³⁰ Indeed, Turkey vaulted from being the twenty-seventh largest global arms exporter in 2000 to eleventh in 2021.³¹ Also climbing on that list was South Korea, which rose from thirty-first to tenth in the same period, while reportedly doubling its arms exports from 2021 to 2022.³² South Korea has not hidden its aspirations in the defense field: President Yoon Suk Yeol declared in August 2022 his goal of making his country a top-four global arms exporter.³³ In September 2022, Poland signed a massive arms deal with South Korea—one of the biggest from an Asian supplier to Europe—that included forty-eight FA-50 light attack jets.³⁴ In March 2023, Malaysia chose the FA-50 over India’s Tejas and China/Pakistan’s JF-17 fighter in a deal worth nearly \$1 billion.³⁵ And Israel, consistently a top-fifteen global arms exporter, hit record levels in 2021, in part buoyed by new Gulf markets opened up by the Abraham Accords.³⁶

More Countries Want to Develop Their Own Domestic Defense Industrial Bases

For many countries reliant on imports, the takeaway from Russia’s invasion aftermath is that overreliance on a single military supplier is a potential

vulnerability. Countries that rely on Russia for equipment and spare parts now have inoperable facets of their military, while countries that have relied on the United States face long delivery times. One way to escape this predicament for the future is through developing their own defense industrial base. This is no simple task, and it requires much capital, personnel, time, and a willingness from other countries to share proprietary defense technology. But once established, it can reduce the turbulence associated with acquiring arms in an era of great power competition, thus bolstering a country's independence and sovereignty. Across the world, but especially in the Middle East and North Africa, countries are looking to build up their own defense industrial bases.

One way of building up a country's own defense industrial base is through co-production and research and development agreements with established suppliers. These arrangements can strengthen local industries while also reducing costs and speeding up delivery times. They have been a consistent feature of the post-Cold War arms trade: one 2016 study found that, while overall global arms trade volumes fell immediately after the Soviet Union's collapse, the number of co-production agreements between other countries rose.³⁷ For countries looking to lessen their reliance on imports while building up their own capabilities, co-production arrangements can be appealing.

These arrangements are a pronounced feature of the emerging post-Ukraine-invasion arms market. Turkey has co-production agreements with Qatar to produce artillery and tanks, an agreement with Kazakhstan to produce UAVs, and a pre-invasion deal with Ukraine to produce UAVs as well.³⁸ South Korea and Egypt announced in December 2022 their own plans to co-produce artillery and trainer fighter jets.³⁹ And Egypt and India, two of the largest historic importers of Russian arms, in early 2023 announced plans to enhance defense cooperation—including in co-production—during President Abdul Fattah al-Sisi's visit.⁴⁰ New Delhi, which has an open competition for its future multirole fighter

jet—considered one of the largest potential contracts in the world—has regularly hinted that the winner will have some kind of co-production arrangement as part of the defense component of New Delhi's "Make in India" initiative.⁴¹ Earlier this year, the French ambassador to India summarized his country's pitch like this: "No other country can commit to delivering the best technology to the Indian forces without any kind of restrictions. We are committed not just to 'Make in India' but also step further [*sic*] and co-develop and co-manufacture with India."⁴²

Several Arab countries are working concertedly to establish bona fide defense industrial bases. Saudi Arabia seeks to develop its own base as part of the Vision 2030 framework, and pledged to spend 50 percent of its defense budget on domestic suppliers by the decade's close. To that end, it has entered into a joint-UAV production agreement with China, is constructing one of the world's largest shipyards for civilian and military applications, and has established indigenous defense firms with investment from the country's Public Investment Fund.⁴³ One such firm is Saudi Arabian Military Industries, which was founded in 2017 and has since signed memorandums of understanding with several leading international defense firms, including America's Lockheed Martin and Raytheon, France's Thales and Naval Group, and Russia's Rosoboronexport.⁴⁴ The UAE likewise has created its own domestic defense conglomerate, the EDGE Group, which incorporates more than twenty Emirati defense firms and has a combined annual revenue of approximately \$5 billion.⁴⁵ EDGE is on the vanguard of Emirati attempts to manufacture platforms locally, an effort gaining momentum in the country. According to the UAE, for the first time in 2023, most of the contracts awarded after the International Defense Exhibition & Conference were to domestic companies.⁴⁶ This momentum has emboldened the Emirati defense community: in May 2023, the UAE walked away from an approximately 800 million euro contract to purchase helicopters from Airbus in part because the European firm "lacked the serious motivation to respond to our demands...to achieve in-country goals," according to a senior Emirati official.⁴⁷

Arms Purchases Will Continue to Focus on Air, Air Defense, and Naval Platforms

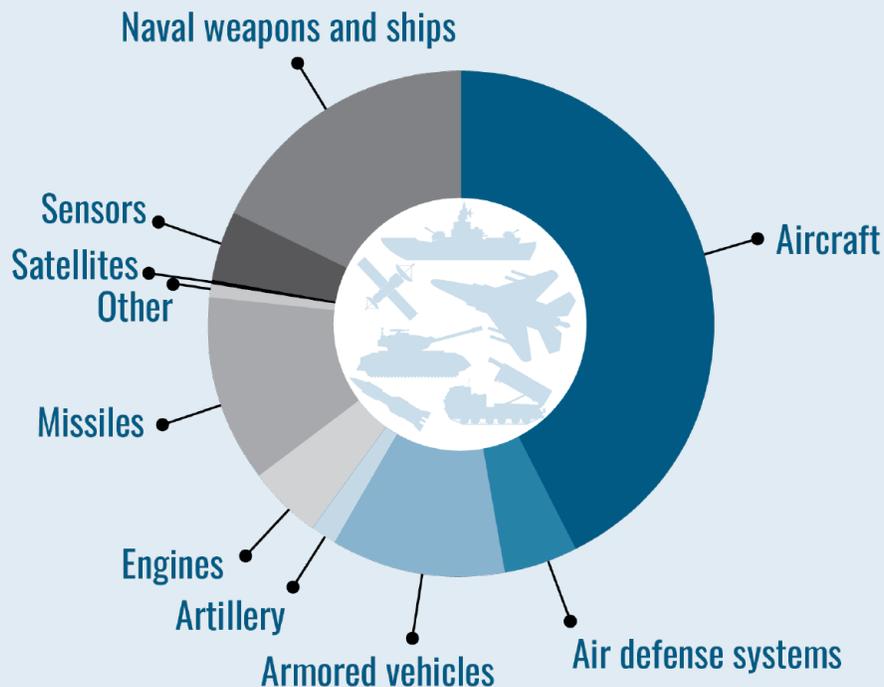
One likely stable feature of the current international market is the consumer priority placed on aerospace assets. In the decade before the Covid-19 pandemic, aerospace platforms made up 65 percent of the global arms market, per British government estimates.⁴⁸ Fighter jets, in particular, will remain one of the most in-demand platforms. One industry group recently projected that global fighter jet sales will rise from approximately \$23 billion per year in 2022 to roughly \$30 billion by 2030.⁴⁹ Historically, fighter jet sales have been dominated by the United States, Britain, France, Sweden, and Russia. And according to Russian officials, aircraft made up roughly 50 percent of all Russian defense exports in 2020.⁵⁰ A drop in Russian fighter jets available

for export will lead consumers to look elsewhere for their airpower procurements.

Yet the global fighter jet supply will grow increasingly constrained as Western countries begin supplying Ukraine with secondhand fourth-generation fighters. The U.S. has only recently begun the process for Ukrainian pilots to begin training on the F-16s.⁵¹ Some countries have transferred aging Soviet-origin fighter jets to Ukraine and expressed a desire to replenish their air wings with U.S. fighters like the F-16.⁵² The F-16 remains one of the most popular U.S. export platforms: more than twenty-five countries have purchased the fighters, and the new Greenville, South Carolina, facility designed to produce the Block 70/72 F-16s currently has a back order of more than 120 jets.⁵³ Any country that considers transferring its F-16s to Ukraine will either have to line up to backfill its own fleet, seek approval to

Figure 2.

Global Arms Exports by Weapon Category, 2007–22



Source: Stockholm International Peace Research Institute

upgrade to the F-35, or look to a non-U.S. supplier for an alternative. All these options will be costly and require years of waiting.

As fighter jet sales have risen and UAVs have proliferated on the global market, the demand for air defense systems has also increased. Global sales of air defense systems steadily climbed after 2001, only tapering off slightly after peaking in 2016.⁵⁴ Here, too, the market may shrink in the wake of the Ukraine war: air defense systems are Russia's second-leading arms export, and Moscow will be unlikely to part with them in the foreseeable future. (Russia has reportedly pulled select air defense systems out of Syria to support its invasion.⁵⁵) U.S. air defense systems, such as the Patriot and Terminal High Altitude Area Defense (THAAD) systems, are already in high demand.⁵⁶ Turkish officials have recently sounded optimistic notes that their own domestically manufactured air defense system might eventually reduce their reliance on the Russian S-400 system.⁵⁷ As more countries provide air defense systems to Ukraine, demand for purchases to replenish stocks will increase as well.

Naval platforms will also likely remain central acquisition priorities, fitting a globalized economy in which commercial vessels roam the sea surface while key resources (e.g., liquefied natural gas) or assets (e.g., internet cables) line the seabed. The maritime domain has also witnessed significant innovations, as demonstrated by Ukrainian forces' successful use of both unmanned surface vessels and long-range antiship missiles.⁵⁸ This high-tech, multidimensional domain stretches from space to the sea floor, and acquisition strategies will likely focus on countermeasures—against conventional threats as well as uncrewed systems and antiship missiles—and on ensuring ships can keep operating in a degraded environment amid a high-intensity confrontation. The democratization of space-based observation via commercial satellite operations will create opportunities for countries wishing to expand their maritime capabilities, but production of naval vessels is slow and expensive, which may limit the ability of prospective buyers to build up their maritime forces.

Impact on the Middle East and North Africa Defense Landscape

As Middle East actors navigate the effects of Russia's invasion on the global arms market, many will likely continue to diversify their arms suppliers while doubling down on efforts to build their own production capabilities. Some, like Israel and Turkey, are poised to capitalize on this changing global market; all, however, will have to grapple with the repercussions of deeper military ties between Iran and Russia and their possible effects on the regional balance of power.

Middle East and North Africa Countries View Reliance on a Single Supplier as a Vulnerability

Global arms suppliers commonly emphasize the notion of “interoperability.” The pitch is simple: purchasing platforms primarily from one country allows the recipient to operate the same systems as its supplier and thus more easily “plug in” to combined operations. The more one country purchases from another, the more interoperable they become and, by extension, the more formidable their potential combined military power. In the Middle East, interoperability has been a constant talking point linked to the defeat of violent extremist organizations and the containment of Iran's aggressive regional behavior. Recent U.S. administrations have regularly spotlighted the importance of combining regional efforts, whether through the Trump-era Middle East Security Architecture or the Biden administration's efforts to integrate air and missile defenses. Largely understood in both efforts has been the notion that purchasing primarily from the United States would make regional integration more attainable and effective. As a senior Biden administration Defense Department official noted in May 2023: “We want our partners purchasing U.S. and allied systems...Not doing so undermines

our partnerships as well as elements of our strategic approach to the region.”⁵⁹

A country that purchases primarily from a single supplier stands to reap considerable second-order benefits, assuming that the supplier can maintain a steady stream of platforms, parts, and support, and assuming that the two countries maintain diplomatic harmony. If, however, supplies fall or bilateral relations change, as exemplified after the Russian invasion, reliance on a single source turns from a strength into a vulnerability. Countries like Algeria, which since 2002 has imported approximately 76 percent of its arms from Russia, may incur negative operational effects amid a shortfall in Russian supply.⁶⁰ Countries like Egypt, which in recent years has diversified its arms

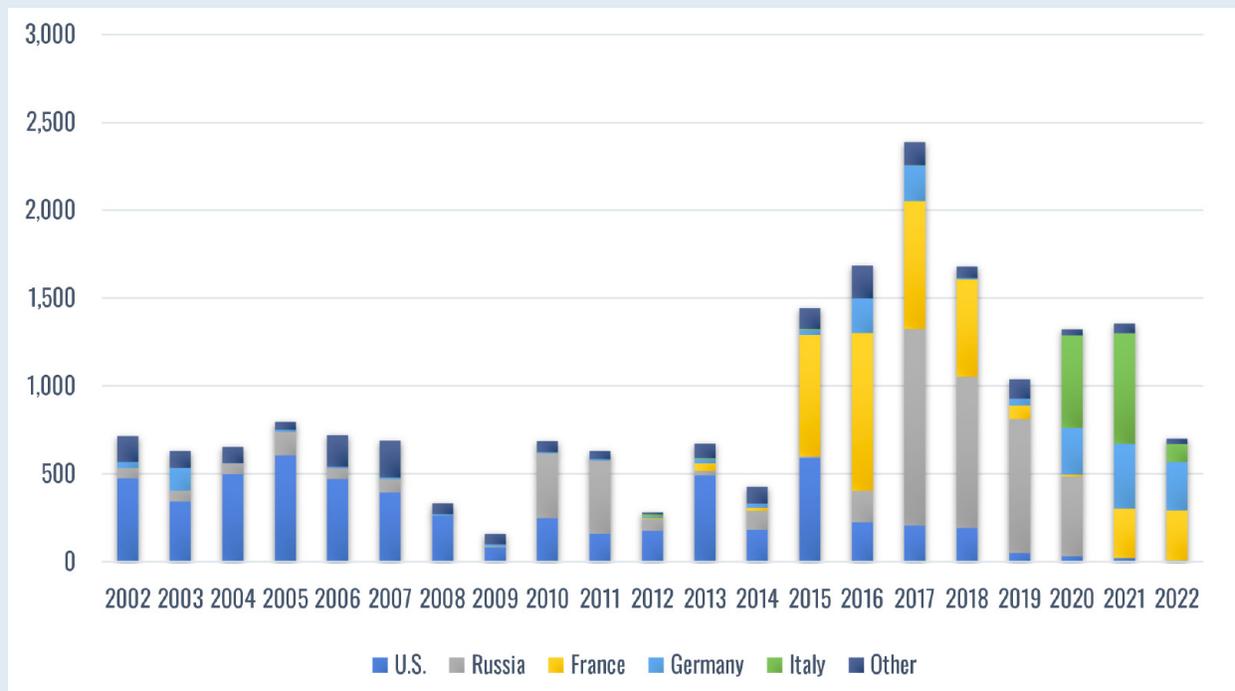
sources, may suffer operationally but hold advantages from an acquisitions standpoint. Thus, when assessing the effects of the Ukraine invasion, existing weapons clients of Russia—as well as of other countries—will likely grow warier of the risks of overreliance on a single supplier.

The War Will Speed Up Efforts in the Region to Achieve Defense Acquisition Independence

For countries in the region, the evolving global defense landscape and challenges facing Western industry will likely reinvigorate efforts to achieve independence in acquisitions and build homegrown defense industrial bases. Such efforts come amid

Figure 3.
Egyptian Arms Imports by Source, 2002–22

Values in Millions per SIPRI’s Trend Indicator Value (TIV)



Since President Sisi came to power, Egypt has increasingly diversified its acquisitions.

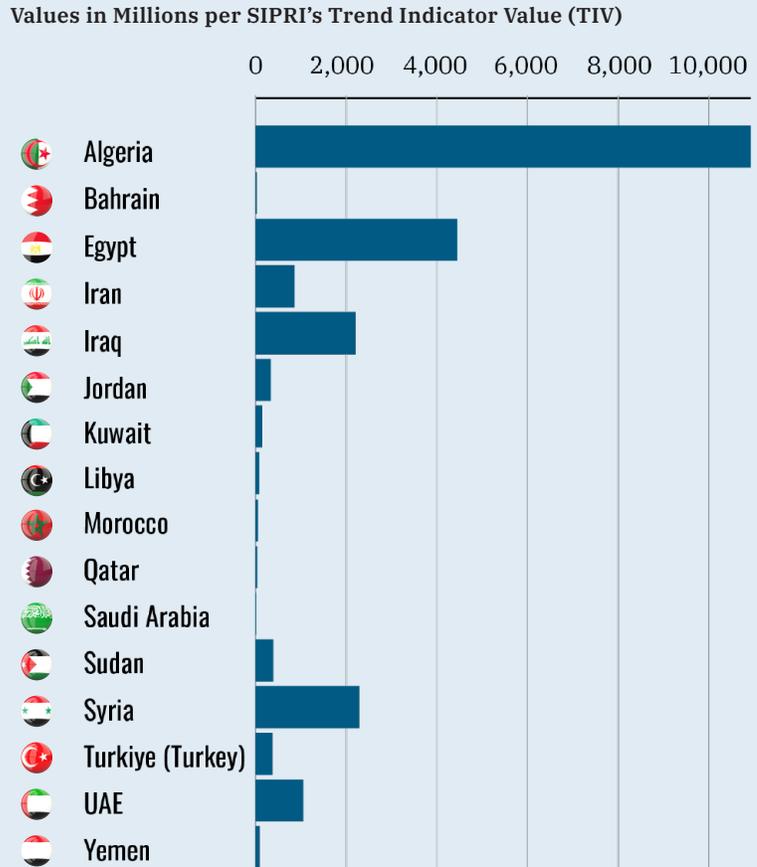
Source: Stockholm International Peace Research Institute

a perception of increasing regional threats paired with greater confidence among the region's countries, likely translating into requests for technology transfer and a rollback of usage restrictions on Western platforms. Regional countries seek opportunities to create domestic jobs, and they view the defense industry as an avenue to retain highly skilled workers. To achieve this end, they will partner with countries that, in their view, can best meet their requirements. Non-Western suppliers may have an advantage here, given their demonstrated willingness to share technology and impose less-stringent export-control limitations compared to their Western competitors.⁶¹

The Invasion Has Deepened Russia's Security Relationship with Iran in Ways That May Alter the Regional Balance of Power

The battlefield demands in Ukraine and Russia's lack of a robust UAV force have created a quid pro quo agreement with implications far beyond Eastern Europe. While Russia has received hundreds of Iranian drones to deploy in Ukraine, Tehran has reportedly received cash as well as captured U.S. and NATO weaponry, and Iranian officials are eyeing more advanced Russian arms, including air defense systems, helicopters, and possibly the advanced Su-35 fighter jet.⁶² While these systems may not dramatically alter the Middle East balance of power in the near future, Iran's potential ability to reverse engineer these platforms and add conventional capabilities to its already robust

Figure 4. Russian Arms Exports to the Middle East and North Africa (by Country), 2007–22



Source: Stockholm International Peace Research Institute



asymmetrical capabilities will add another wrinkle for Iran's regional competitors. Countries around the region looking to contain the Islamic Republic will have to plan around not only a more advanced Iranian military but potentially a network of Iranian proxies outfitted with more advanced weaponry.

In turn, this deepening Iran-Russia defense relationship will likely cause regional countries to drive up their own defense spending. Long a major arms-importing region, the Middle East today is home to five of the world's top-fifteen arms importers (Saudi Arabia, Qatar, Egypt, UAE, and Kuwait); in 2022, it featured nine of the top-fifteen countries in terms of defense spending relative to GDP (Oman, Kuwait, Algeria, Jordan, Saudi Arabia,

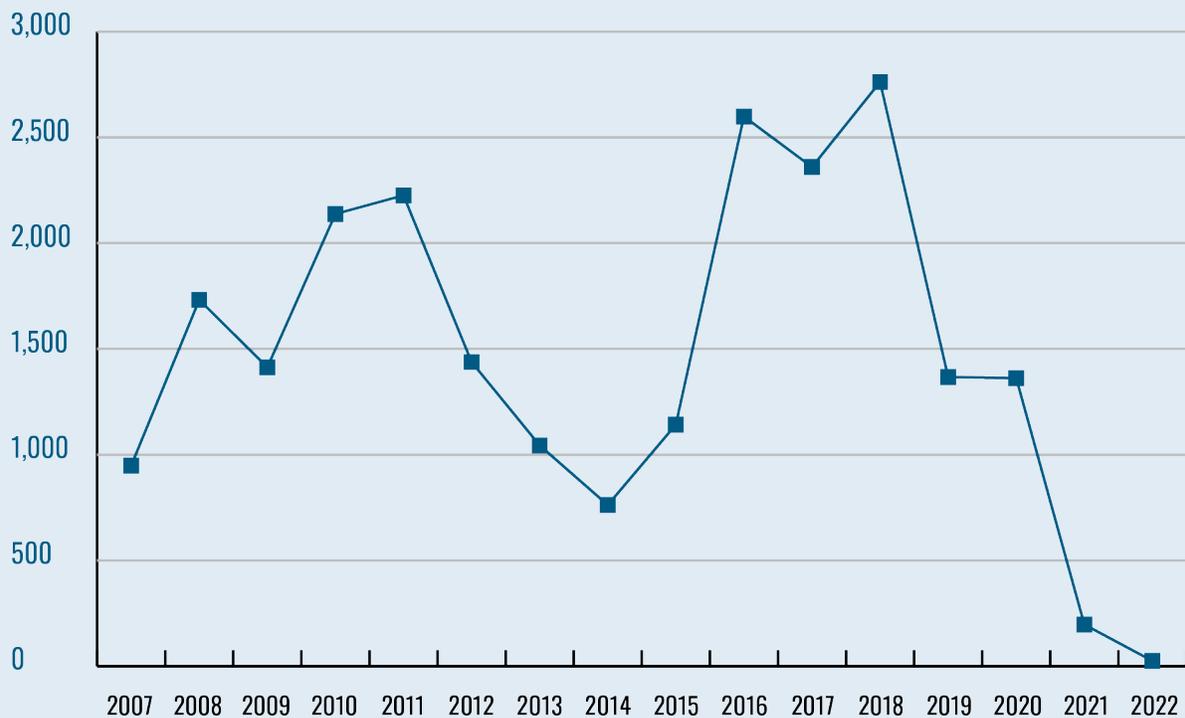
Morocco, Israel, UAE, and Qatar).⁶³ Regional countries have hardly needed a reason to spend more on arms, but the worrying prospect of Iran's new advanced weaponry—including possibly Russian fighter jets—will likely contribute to their purchases of corresponding platforms.

Several Regional Countries Look Poised to Take Advantage of the Uncertain Future

Although Western corporations are sure to remain significant arms suppliers to the region, some regional actors with developing or robust defense industries could take advantage of the

Figure 5.
Russian Arms Exports to the Middle East and North Africa (by Year), 2007–22

Values in Millions per SIPRI's Trend Indicator Value (TIV)



Source: Stockholm International Peace Research Institute

post-Ukraine-invasion market to advance their own interests. The region's main security requirements and concerns remain linked to the Iranian regime and its use of proxies and asymmetric warfare. Regional actors like Turkey and Israel that have developed countermeasures and systems adapted to this kind of warfare, especially in air defense systems and UAVs, are poised to take advantage of higher demand for such platforms. That those systems have been combat-proven in multiple theaters only reinforces their appeal. In addition to meeting the core security requirements of Middle East countries, regional suppliers can allow the purchasers to add another diversifying layer of partnership atop the West, China, or Russia. Already, Israel is making inroads in Gulf and European defense markets.⁶⁴ If regional suppliers can propose technology transfers that meet the expectations of their clients, they could rapidly acquire significant positions in the regional market.

Policy Recommendations

The United States and other Western states can take the following steps to secure their interests and counter Moscow amid Russia's weakening grasp on the arms market:

- **Prepare Ukraine's defense industry to compete in traditional Russian markets.**

During the Cold War, Ukraine was home to a large swath of the Soviet Union's defense industrial base.⁶⁵ This fostered an industry with most of its materiel—platforms, munitions, spare parts—created in the Russian mold. For countries around the world reliant on Russian arms shipments to keep their militaries operational, a robust Ukrainian defense industry manufacturing similar components could be an alternative. Such a maneuver is obviously not feasible while the conflict persists: Ukraine's remaining defense companies have scattered production and focused on simple components such as artillery shells to contribute to the war effort.⁶⁶ And Ukraine's

eventual postwar defense industry will undoubtedly look different as the country's military incorporates more Western equipment into its arsenal. But Western supporters of Ukraine should plan ways to support Kyiv in a postwar environment in which Ukraine can achieve larger-scale production and perhaps begin to export platforms into traditional Russian markets, thereby depriving Russia of export markets while advancing Ukraine's own interests.

- **Establish interagency red lines on China's presence in partner countries, and convey these red lines to partners.**

China is one of the world's fastest-growing arms exporters and will undoubtedly look to exploit the arms market gap left by Russia's invasion. Already, Chinese platforms have made inroads in the Middle East and North Africa. On top of sales, China's economic and security investments abroad pose their own unique challenges to the United States and partner countries. Chinese activity has already discouraged countries from simultaneously making deals with U.S. firms. Yet to date, there is no single consensus opinion within the U.S. government, let alone between Washington and its Western partners, as to what constitutes a "red line" in a country's relationship with China and thus precludes deeper security cooperation. This lack of baseline parameters destabilizes traditional U.S. security partnerships and creates an opportunity for China to expand its footprint. The United States needs to reach a common interagency understanding on precise red lines with regard to a country's relationship with China, and then convey these red lines clearly to partners. Such a policy of transparency would likely give the United States the best chance at maintaining its status as the "partner of choice" in the region and around the world.

- **Establish long-term security cooperation plans with partners in the region.**

Many of the largest arms importers and defense spenders in the Middle East and North Africa are traditional U.S. partners that have purchased heavily from the United States. Yet in recent years, America's

hold on the market has wavered as recipients chafe at long delays, usage restrictions, and political turbulence between administrations and with Congress. The increased attention on great power competition and availability of alternative suppliers has accelerated this phenomenon. If the United States wants to demonstrate a long-term commitment to defense and security relationships in the region, it should work with countries on crafting joint five-, ten-, and fifteen-year defense acquisition strategies. Washington has already done this on five-year timetables with select partners.⁶⁷ Such strategies could anticipate future defense needs in areas typically associated with delays and backlogs, such as air defense or fighter aircraft, and ensure that U.S. partners and their militaries avoid any gap in capabilities. Such strategies should take congressional views into consideration in order to navigate potential political turbulence. In doing so, the United States can demonstrate its long-term commitment to its partners' security in the region.

- **Support efforts to strengthen the European defense industrial base.** As Western states seek to fill the gap left by diminishing Russian arms exports, Europe in particular faces two additional challenges—fragmentation and underinvestment in the continent's defense industry. These shortcomings lead to unnecessary intra-European competition in external markets and hamper efforts to intensify production in the Ukraine context. Beyond the question of arms sales, a strong European defense industrial base is one component—together with NATO's readiness—of

Europe's defense and sovereignty, whose advancement are in long-term U.S. interests as America focuses more on the Indo-Pacific. The most suitable tool to strengthen and rationalize the European defense industrial base is the European Union. The United States should reassess its traditional reluctance on the matter, and embrace efforts led by member states and by the EU Commission to fund the European defense industrial base and implement joint acquisitions mechanisms.

Conclusion

The war in Ukraine is perhaps the opening gambit in a new world defined by great power competition. Defense spending is up, arms sales are increasing, and new military relationships are being forged. As the effects of Russia's invasion spread far beyond the battlefield, the United States and other Western countries will have opportunities to take advantage of Russia's weakened position. Arms and arms-related sales have historically been a key driver of the Russian economy; if Washington and other Western capitals want to exact a heavier strategic cost than Moscow's poorly planned and ill-executed invasion has already wrought, then they must work together to avoid squandering such an opportunity. The Ukraine invasion will create a gap in the market for both traditional and newer suppliers to fill. How that gap is filled will create partnerships that last decades, boost select economies, and help decide how the next conflict is fought. ❖

NOTES

- 1 Richard Connolly and Cecilie Sendstad, *Russia's Role as an Arms Exporter* (London: Royal Institute for International Affairs, 2017), <https://www.chathamhouse.org/sites/default/files/publications/research/2017-03-20-russia-arms-exporter-connolly-sendstad.pdf>.
- 2 Cullen Hendrix, "Russia's Boom Business Goes Bust," *Foreign Policy*, May 3, 2023, <https://foreignpolicy.com/2023/05/03/russia-arms-sales-weapons-exports-worldwide-ukraine-war/>; "Surge in Arms Imports to Europe, While U.S. Dominance of the Global Arms Trade Increases," Stockholm International Peace Research Institute, March 13, 2023, <https://www.sipri.org/media/press-release/2023/surge-arms-imports-europe-while-us-dominance-global-arms-trade-increases>. While SIPRI data is useful for identifying trends in arms transfers for the sake of this report, the methodology behind it has been questioned by some analysts: see "Nominal Spending Figures Understate China's Military Might," *Economist*, May 1, 2021, <https://www.economist.com/graphic-detail/2021/05/01/nominal-spending-figures-understate-chinas-military-might>; and Michael Kofman and Richard Connolly, "Why Russian Military Expenditure Is Much Higher Than Commonly Understood (as Is China's)," *War on the Rocks*, December 16, 2019, <https://warontherocks.com/2019/12/why-russian-military-expenditure-is-much-higher-than-commonly-understood-as-is-chinas/>.
- 3 *Russian Arms Sales and Defense Industry*, Congressional Research Service, October 14, 2021, <https://crsreports.congress.gov/product/pdf/R/R46937>.
- 4 *Russian Arms Sales and Defense Industry*, Congressional Research Service, October 14, 2021, <https://crsreports.congress.gov/product/pdf/R/R46937>.
- 5 European Commission, "Sanctions Adopted Following Russia's Military Aggression Against Ukraine," https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine_en.
- 6 U.S. Department of the Treasury, "Targeting Key Sectors, Evasion Efforts, and Military Supplies, Treasury Expands and Intensifies Sanctions Against Russia," February 24, 2023, <https://home.treasury.gov/news/press-releases/jy1296>.
- 7 Yuko Seki and Shota Fujii, "Russia 'Buying Back' Arms Parts Exported to Myanmar and India," *Nikkei*, June 5, 2023, <https://asia.nikkei.com/Politics/Ukraine-war/Russia-buying-back-arms-parts-exported-to-Myanmar-and-India>.
- 8 Max Bergmann et al., *Out of Stock? Assessing the Impact of Sanctions on Russia's Defense Industry* (Washington DC: Center for Strategic and International Studies, 2023), <https://www.csis.org/analysis/out-stock-assessing-impact-sanctions-russias-defense-industry>.
- 9 "H.R.3364—Countering America's Adversaries Through Sanctions Act," 115th Congress (2017–18), <https://www.congress.gov/bill/115th-congress/house-bill/3364/text>.
- 10 Lesley Wroughton and Patricia Zengerle, "U.S. Sanctions China for Buying Russian Fighter Jets, Missiles," *Reuters*, September 20, 2018, <https://www.reuters.com/article/us-usa-russia-sanctions/u-s-sanctions-china-for-buying-russian-fighter-jets-missiles-idUSKCN1M02TP>; Amanda Macias, "U.S. Sanctions Turkey over Purchase of Russian S-400 Missile System," *CNBC*, December 14, 2020, <https://www.cnn.com/2020/12/14/us-sanctions-turkey-over-russian-s400.html>; Paul Iddon, "CAATSA or PESA: Why Have These Countries Decided Against Acquiring Russia's Su-35 Fighter?" *Forbes*, January 11, 2022, <https://www.forbes.com/sites/pauliddon/2022/01/11/caatsa-or-pesa-why-have-these-countries-decided-against-acquiring-russias-su-35-fighter/?sh=4e7bade86204>.
- 11 Sudhi Ranjan Sen and Adrija Chatterjee, "Russian Arms Sales to India Stall on Fears over U.S. Sanctions," *Bloomberg*, April 21, 2023, <https://www.bloomberg.com/news/articles/2023-04-21/russian-arms-sales-to-india-stall-due-to-fears-over-us-sanctions#xj4y7vzkg>.
- 12 Bergmann et al., *Out of Stock?* <https://www.csis.org/analysis/out-stock-assessing-impact-sanctions-russias-defense-industry>.
- 13 Rush Doshi, *The Long Game: China's Grand Strategy to Displace American Order* (New York: Oxford University Press, 2023), 74–75.

- 14 Sebastien Roblin, “America Is Slapping Cannons on Trucks to Help Ukraine Stop Russia’s Killer Drones,” *Popular Mechanics*, April 21, 2023, <https://www.popularmechanics.com/military/weapons/a43533561/us-gun-trucks-for-ukraine-stop-russia-drones/>.
- 15 “World Military Expenditure Reaches New Record High as European Spending Surges,” Stockholm International Peace Research Institute, April 24, 2023, <https://bit.ly/43VnvyX>.
- 16 Michel Rose and Clotaire Achi, “Macron Boosts French Military Spending by over a Third to ‘Transform’ Army,” Reuters, January 20, 2023, <https://www.reuters.com/business/aerospace-defense/frances-macron-proposes-big-hike-military-spending-2024-2030-2023-01-20/>; “Poland to Ramp Up Defense Budget to 4% of GDP,” Deutsche Welle, January 30, 2023, <https://www.dw.com/en/poland-to-ramp-up-defense-budget-to-4-of-gdp/a-64555544>; Michael Nienaber and Kamil Kowalcze, “Germany to Hike Defense Budget by up to €10 Billion in 2024,” Bloomberg, February 15, 2023, <https://www.bloomberg.com/news/articles/2023-02-15/germany-to-lift-defense-spending-by-up-to-10-billion-next-year>.
- 17 Jon Grevatt and Andrew MacDonald, “South Korea Proposes 4.6% Increase in 2023 Defence Budget,” *Janes*, September 2022, <https://www.janes.com/defence-news/news-detail/south-korea-proposes-46-increase-in-2023-defence-budget>; William Sposato, “Japan’s Defense Plans Are Big, Popular, and Expensive,” *Foreign Policy*, April 10, 2023, <https://foreignpolicy.com/2023/04/10/japan-defense-budget-china-north-korea-military/>; Max Blenkin, “Australian Budget: Historic Defense Spending, Plus AU\$1.2B on U.S.-Made Missiles,” *Breaking Defense*, May 9, 2023, <https://breakingdefense.com/2023/05/australian-budget-historic-defense-spending-plus-au1-2b-on-us-made-missiles/>.
- 18 International Institute for Strategic Studies, *The Military Balance 2023: The Annual Assessment of Global Military Capabilities and Defence Economics* (London: IISS/Routledge, 2023), <https://www.iiss.org/publications/the-military-balance/the-military-balance-2023>; Agnes Helou, “Saudi Arabia, Qatar See Sharp Jump in Military Spending in the Middle East: Report,” *Breaking Defense*, April 28, 2023, <https://breakingdefense.com/2023/04/saudi-arabia-qatar-see-sharp-jump-in-military-spending-in-the-middle-east-report/>.
- 19 Doug Cameron, “U.S. Struggles to Replenish Munitions Stockpiles as Ukraine War Drags On,” *Wall Street Journal*, April 29, 2023, <https://www.wsj.com/articles/u-s-push-to-restock-howitzer-shells-rockets-sent-to-ukraine-bogs-down-f604511a>.
- 20 Sabine Siebold and Andrew Gray, “NATO to Increase Targets for Ammunition Stockpiles as War Depletes Reserves,” Reuters, February 14, 2023, <https://www.reuters.com/world/europe/natos-stoltenberg-we-plan-increase-targets-ammunition-stockpiles-2023-02-13/>.
- 21 Tony Bertuca, “DoD ‘Refocuses’ Industrial Base Task Force on Supply Chain Security,” *Inside Defense*, May 1, 2023, <https://insidedefense.com/daily-news/dod-refocuses-industrial-base-task-force-supply-chain-security>.
- 22 See, e.g., Paula Alvarez-Couceiro, “Europe at a Strategic Disadvantage: A Fragmented Defense Industry,” *War on the Rocks*, April 18, 2023, <https://warontherocks.com/2023/04/europe-at-a-strategic-disadvantage-a-fragmented-defense-industry/>.
- 23 Associated Press, “First Delivery of S. Korean Heavy Weapons Comes to Poland,” December 6, 2022, <https://ap-news.com/article/europe-business-poland-seoul-south-korea-6d7a06d58323ef77fd4ce3024110e0e8>.
- 24 Douglas Hamilton and Charles Aldinger, “EU Force Could Spell NATO’s End, Cohen Says,” *Washington Post*, December 6, 2000, <https://www.washingtonpost.com/archive/politics/2000/12/06/eu-force-could-spell-natos-end-cohen-says/534c01b8-00b7-483c-b5d1-aed36b19a7b5/>; Alvarez-Couceiro, “Europe at a Strategic Disadvantage,” <https://warontherocks.com/2023/04/europe-at-a-strategic-disadvantage-a-fragmented-defense-industry/>; Paul McLeary and Suzanne Lynch, “The U.S. Wants Europe to Buy American Weapons; The EU Has Other Ideas,” *Politico*, June 14, 2023, <https://www.politico.eu/article/us-europe-buy-american-weapons-military-industry-defense/>.
- 25 Marcin Zaborowski, *Poland and European Defence Integration*, Policy Brief (European Council on Foreign Relations, 2018), https://ecfr.eu/publication/poland_and_european_defence_integration/.
- 26 U.S. Department of Defense, *Military and Security Developments Involving the People’s Republic of China 2019*, annual report to Congress, https://media.defense.gov/2019/May/02/2002127082/-1/-1/1/2019_CHINA_MILITARY_POWER_REPORT.pdf.
- 27 SIPRI Arms Trade Register, accessed May 2023.
- 28 SIPRI Arms Trade Register, accessed May 2023.

- 29 Zaheena Rasheed, "How China Became the World's Leading Exporter of Combat Drones," Al Jazeera, January 24, 2023, <https://www.aljazeera.com/news/2023/1/24/how-china-became-the-worlds-leading-exporter-of-combat-drones>; Dusan Stojanovic, "Serbia Shows Off New Chinese Anti-Aircraft Missile System," *Defense News*, May 6, 2022, <https://www.defensenews.com/training-sim/2022/05/07/serbia-shows-off-new-chinese-anti-aircraft-missile-system/>.
- 30 Ezgi Akin, "Turkey's Defense Exports Reach Record Levels in 2022, Erdogan Says," Al-Monitor, January 9, 2023, <https://www.al-monitor.com/originals/2023/01/turkeys-defense-exports-reach-record-levels-2022-erdogan-says>; Stephen Witt, "The Turkish Drone That Changed the Nature of Warfare," *The New Yorker*, May 9, 2022, <https://www.newyorker.com/magazine/2022/05/16/the-turkish-drone-that-changed-the-nature-of-warfare>.
- 31 SIPRI Arms Trade Top List Tables, accessed May 2023.
- 32 SIPRI Arms Trade Top List Tables, accessed May 2023; Kotaro Hosokawa, "South Korea's Defense Industry Doubles Overseas Orders," *Nikkei*, November 27, 2022, <https://asia.nikkei.com/Business/Aerospace-Defense-Industries/South-Korea-s-defense-industry-doubles-overseas-orders>.
- 33 Brad Lendon and Gawon Bae, "President Yoon Wants South Korea to Become One of World's Top Weapons Suppliers," CNN, August 17, 2022, <https://www.cnn.com/2022/08/17/asia/south-korea-arms-exports-yoon-intl-hnk-ml/index.html>.
- 34 Jaroslaw Adamowski, "Poland Inks Deal for FA-50 Light Attack Aircraft from South Korea," *Defense News*, September 17, 2022, <https://www.defensenews.com/global/europe/2022/09/17/poland-inks-deal-for-fa-50-light-attack-aircraft-from-south-korea/>.
- 35 Norman Goh, "Malaysia Buys South Korea Fighter Jets as ASEAN Arms Market Grows," *Nikkei*, March 7, 2023, <https://asia.nikkei.com/Politics/Defense/Malaysia-buys-South-Korea-fighter-jets-as-ASEAN-arms-market-grows>.
- 36 Emmanuel Fabian, "Israeli Arms Sales Hit New Record of \$11.3 Billion in 2021—with 7% to Gulf," *Times of Israel*, April 12, 2022, <https://www.timesofisrael.com/israeli-arms-sales-hit-new-record-of-11-3-billion-in-2021/>.
- 37 Brandon Kinne, "Agreeing to Arm: Bilateral Weapons Agreements and the Global Arms Trade," *Journal of Peace Research* 53, no. 3 (May 2016), <https://www.jstor.org/stable/43920595>.
- 38 "Turkey Is the Arms Industry's New Upstart," *Economist*, February 12, 2022, <https://www.economist.com/europe/2022/02/12/turkey-is-the-arms-industrys-new-upstart>; Nazlan Ertan, "Turkey, Kazakhstan Sign Joint Production Accord for Drones," Al-Monitor, May 11, 2022, <https://www.al-monitor.com/originals/2022/05/turkey-kazakhstan-sign-joint-production-accord-drones>; Burak Ege Bekdil, "Turkey and Ukraine to Coproduce TB2 Drones," *Defense News*, February 4, 2022, <https://www.defensenews.com/global/europe/2022/02/04/turkey-and-ukraine-to-coproduce-tb2-drones/>.
- 39 "Egypt Signs Major Arms Deal with South Korea," Al-Monitor, February 8, 2022, <https://www.al-monitor.com/originals/2022/02/egypt-signs-major-arms-deal-south-korea>; Jeremy Binnie, "Egypt's AOI Confirms Agreement to Produce South Korean Jet Trainers," *Janes*, January 18, 2023, <https://www.janes.com/defence-news/news-detail/egypts-aoi-confirms-agreement-to-produce-south-korean-jet-trainers>.
- 40 Reuters, "India, Egypt Will Seek to Deepen Military Co-operation—Foreign Secretary," January 25, 2023, <https://www.reuters.com/world/india/india-egypt-will-seek-deepen-military-co-operation-foreign-secretary-2023-01-25/>.
- 41 Suchitra Karthikeyan, "What Are the Key Defence Projects Under 'Make in India' Scheme," *The Hindu*, April 26, 2022, <https://www.thehindu.com/news/national/make-in-india-defence-manufacturing-push-projects-need-explained/article65348645.ece>.
- 42 Shehesh Alex Philip, "How France Is Ready to Help India Diversify from Russia—Build Fighters and Submarines," *The Print*, January 22, 2023, <https://theprint.in/defence/how-france-is-ready-to-help-india-diversify-from-russia-build-fighters-to-nuclear-submarines/1328965/>.
- 43 Alexander Cornwell, "Saudi Defence Firm SAMI Targets \$5 Billion Annual Revenue by 2030," Reuters, February 22, 2021, <https://www.reuters.com/article/emirates-defence-sami-int/saudi-defence-firm-sami-targets-5-billion-annual-revenue-by-2030-idUSKBN2AMOP0>.
- 44 Katie Paul, "Saudi State-Owned Defence Company SAMI Taps Rheinmetall Executive as CEO," Reuters, October 31, 2017, <https://www.reuters.com/article/saudi-defence/saudi-state-owned-defence-company-sami-taps-rheinmetall-executive-as-ceo-idUSL8N1N62AM>; "Saudi Arabia Signs Agreement to Manufacture Russian Weapons

- Locally,” Al Arabiya, October 5, 2017, <https://english.alarabiya.net/en/News/gulf/2017/10/05/Saudi-Arabian-Military-Industries-signs-agreement-to-manufacture-Russian-weapons-locally-.html>.
- 45 Agnes Helou, “UAE Launches ‘Edge’ Conglomerate to Address Its ‘Antiquated Military Industry,’” *Defense News*, November 6, 2019, <https://www.defensenews.com/digital-show-dailies/dubai-air-show/2019/11/06/uae-launches-edge-conglomerate-to-address-its-antiquated-military-industry/>.
- 46 Albert Vidal, “IDEX 2023: UAE’s Defense Contracts Emphasizes [sic] Local Production,” Gulf International Forum, April 22, 2023, <https://gulffif.org/idx-2023-uaes-defense-contracts-emphasizes-local-production/>.
- 47 Agnes Helou, “UAE Cancels €800m Military Helicopter Deal with Airbus: Government Official,” *Breaking Defense*, May 9, 2023, <https://breakingdefense.com/2023/05/uae-cancels-e800m-military-helicopter-deal-with-airbus-government-official/>.
- 48 “UK Defence and Security Export Statistics: 2020,” Gov.uk, October 26, 2021, <https://www.gov.uk/government/statistics/uk-defence-and-security-exports-for-2020/uk-defence-and-security-export-statistics-for-2020>.
- 49 Richard Aboulafia, “Aero Markets: Climbing out of a Pit Beats Falling into One,” National Aeronautic Association, February 28, 2022, <https://naa.aero/wp-content/uploads/2022/02/The-Great-Aero-Recovery-Webinar-Slides.pdf>.
- 50 TASS: Russian News Agency, “Aircraft Made Up 50% of Russia’s Arms Exports Last year, Says Defense Official,” March 12, 2021, <https://tass.com/defense/1265359>.
- 51 C. Todd Lopez, “F-16 Training, Aircraft, to Fill Ukraine’s Mid-Term, Long-Term Defense Needs,” U.S. Department of Defense, May 23, 2023, <https://www.defense.gov/News/News-Stories/Article/Article/3405085/f-16-training-aircraft-to-fill-ukraines-mid-term-long-term-defense-needs/>.
- 52 Karel Janicek, “Slovakia Joins Poland in Agreeing to Give Fighter Jets to Ukraine,” *NewsHour*, PBS, March 17, 2023, <https://www.pbs.org/newshour/world/slovakia-joins-poland-in-agreeing-to-give-fighter-jets-to-ukraine>.
- 53 “Lockheed Martin Announces Successful First Flight of F-16 Block 70 Aircraft,” news release, January 24, 2023, <https://news.lockheedmartin.com/2023-01-24-Lockheed-Martin-Announces-Successful-First-Flight-of-F-16-Block-70-Aircraft>.
- 54 SIPRI Arms Trade Register, accessed May 2023.
- 55 Reuters, “Russia Ships S-300 Air Defence Missiles out of Syria—Satellite Images,” August 29, 2022, <https://www.reuters.com/world/russia-ships-s-300-air-defence-missiles-out-syria-satellite-images-2022-08-29/>.
- 56 David Des Roches, “We Need It Yesterday: Air-Defense Missile Sales in a Period of Maximum Demand,” Middle East Institute, August 9, 2022, <https://www.mei.edu/publications/we-need-it-yesterday-air-defense-missile-sales-period-maximum-demand>.
- 57 Selcan Hacaoglu, “Turkey May Not Need Russia’s S-400 Missile Defense, Manufacturer Says,” Bloomberg, March 14, 2023, <https://www.bloomberg.com/news/articles/2023-03-14/turkey-may-not-need-russia-s-s-400-missile-defense-company-says#xj4y7vzkg>.
- 58 H. I. Sutton, “Suspected Ukrainian Explosive Sea Drone Made from Recreational Watercraft Parts,” USNI News, October 11, 2022, <https://news.usni.org/2022/10/11/suspected-ukrainian-explosive-sea-drone-made-from-jet-ski-parts>.
- 59 U.S. Department of Defense, “Assistant Secretary of Defense for Strategy, Plans, and Capabilities Dr. Mara Karlin’s Remarks at the Third Annual Middle East Institute CENTCOM Conference (As Prepared),” May 24, 2023, <https://www.defense.gov/News/Speeches/Speech/Article/3406446/assistant-secretary-of-defense-for-strategy-plans-and-capabilities-dr-mara-karlin/>.
- 60 SIPRI Arms Trade Register, accessed May 2023.
- 61 Joyce Lee and Josh Smith, “Inside South Korea’s Race to Become One of the World’s Biggest Arms Dealers,” Reuters, May 29, 2023, <https://www.reuters.com/business/aerospace-defense/inside-south-koreas-race-become-one-worlds-biggest-arms-dealers-2023-05-29/>.
- 62 Dion Nissenbaum and Warren Strobel, “Moscow, Tehran Advance Plans for Iranian-Designed Drone Facility in Russia,” *Wall Street Journal*, February 5, 2023, <https://www.wsj.com/articles/moscow-tehran-advance-plans-for-iranian-designed-drone-facility-in-russia-11675609087>.

- 63 Pieter Wezeman, Justine Gadon, and Siemon Wezeman, "Trends in International Arms Transfers, 2022," fact sheet, Stockholm International Peace Research Institute, March 2023, <https://www.sipri.org/publications/2023/sipri-fact-sheets/trends-international-arms-transfers-2022>; IISS, *Military Balance 2023*, <https://www.iiss.org/publications/the-military-balance/the-military-balance-2023>.
- 64 Linda Gradstein, "Israeli Arms Sales Soar as Ukraine War Rages," Voice of America, December 22, 2022, <https://www.voanews.com/a/israeli-arms-sales-soar-as-ukraine-war-rages-/6887888.html>.
- 65 Thomas Laffitte, "Ukraine's Defense Industry and the Prospect of a Long War," Foreign Policy Research Institute, September 21, 2022, <https://www.fpri.org/article/2022/09/ukraines-defense-industry-and-the-prospect-of-a-long-war/>.
- 66 Alistair MacDonald, "Ukraine's Arms Industry Survives Russian Onslaught to Hit Back," *Wall Street Journal*, May 1, 2023, <https://www.wsj.com/articles/ukraines-arms-industry-survives-russian-onslaught-to-hit-back-c5c168cd>.
- 67 "DGMT Project Updates—November 2018," Institute for Security Governance, November 29, 2018. <https://instituteforsecuritygovernance.org/-/dgmt-project-updates-november-2018>.

The Authors



GRANT RUMLEY is the Goldberger Fellow with The Washington Institute's Diane and Guilford Glazer Foundation Program on Great Power Competition and the Middle East, specializing in military and security affairs. He served from 2018 to 2021 as an advisor for Middle East policy in the Office of the Secretary of Defense and authored the recent Institute study *China's Security Presence in the Middle East*.



LOUIS DUGIT-GROS, a 2021–23 visiting fellow at The Washington Institute, is a French diplomat and member of the Ministry for Europe and Foreign Affairs. The third active-duty French diplomat to hold an Institute visiting fellowship, he has served as a press officer for the French embassy in Morocco, a political advisor for Libya, and a desk officer for Qatar and Oman at ministry headquarters in Paris.



THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY
1111 19TH STREET NW, SUITE 500 | WASHINGTON, DC 20036
WWW.WASHINGTONINSTITUTE.ORG
©2023 THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY. ALL RIGHTS RESERVED.