

Highlights of [GAO-10-918](#), a report to congressional requesters

Why GAO Did This Study

The United States uses arms transfers through government-to-government Foreign Military Sales (FMS) and direct commercial sales (DCS) to support its foreign policy and national security goals. The Departments of Defense (DOD) and State (State) have authorized arms worth billions of dollars to six Persian Gulf countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE). The United States established the Gulf Security Dialogue (GSD) to discuss security issues with these countries. GAO was asked to determine (1) the dollar value and nature of U.S. arms transfers authorized for the Gulf countries' governments, (2) the extent to which U.S. agencies documented how arms transfers to Gulf countries advanced U.S. foreign policy and national security goals, and (3) the role of the GSD.

To conduct this work, GAO analyzed U.S. government regional plans, arms transfer data from fiscal years 2005 to 2009, case-specific documentation for fiscal years 2008 and 2009, and program guidance; and interviewed officials in Bahrain, Saudi Arabia, and the UAE.

What GAO Recommends

GAO recommends that (1) State take steps to improve the clarity and usefulness of DCS license data, and (2) State and DOD document their reviews of arms transfer requests. State and DOD agreed with the recommendations, but State noted that it would need additional resources to improve DCS reporting.

View [GAO-10-918](#) or [key components](#). For more information, contact Joseph A. Christoff at (202) 512-8979 or christoffj@gao.gov.

PERSIAN GULF

U.S. Agencies Need to Improve Licensing Data and to Document Reviews of Arms Transfers for U.S. Foreign Policy and National Security Goals

What GAO Found

GAO cannot determine the total value of authorized arms transfers to the governments of Gulf countries in part because State's DCS database also includes arms transfers authorized for U.S. military units stationed in those countries. GAO's review of State's database determined that at least \$6 billion of the \$21 billion of authorized transfers between fiscal years 2005 and 2009 were for U.S. military units in Gulf countries. In addition, some license values were counted twice. State's database system does not have the capability to separate authorizations by end-user or separate multiple authorizations that cover the same equipment. Consistent with statutory requirements, State included this data in reporting all license authorizations to Congress. In contrast, GAO could determine that the DOD-administered FMS program authorized about \$22 billion in arms transfers to the six Gulf countries. Authorized transfers included air and missile defense systems, with the UAE and Saudi Arabia accounting for over 88 percent of total FMS authorizations.

Examples of Arms Transfers Authorized to Persian Gulf Countries (Fiscal Years 2005 to 2009)



Javelin missile



Patriot missile defense system



F-16 aircraft

Source: DOD.

State and DOD did not consistently document how arms transfers to Gulf countries advanced U.S. foreign policy and national security goals for GAO selected cases. State assesses arms transfer requests against criteria in the Conventional Arms Transfer policy, including interoperability with the host nation and the impact on the U.S. defense industrial base. Additionally, DOD assesses FMS requests for significant military equipment against criteria in DOD policy, such as the impact on the recipient's force structure and the ability to monitor sensitive technology. GAO's analysis of 28 arms transfer authorizations—15 DCS and 13 FMS—found that State did not document how it applied its criteria to arms transfers, while DOD could not provide documentation on its review of release of technology for 7 of 13 FMS authorizations. Due to a lack of complete documentation, we cannot verify if U.S. agencies consistently reviewed authorizations.

When established in 2006, GSD was intended to enable multilateral cooperation on six security-related topics between the United States and six Gulf countries, but it instead operates as a bilateral forum between the United States and five Gulf countries due to the preference of these countries. Saudi Arabia does not participate in GSD, but discusses security concerns at other forums. According to U.S. officials, GSD's agenda has evolved to focus on regional security and other concerns specific to the country participants.