

Defense Secretary Lloyd Austin—Former Member of Raytheon Board of Directors—Has Awarded Over \$30 Billion in Contracts to Raytheon Since His Confirmation in January 2021

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This article was originally published in April, 2021 at which time Raytheon had obtained \$2.36 billion in Pentagon contracts since Austin's appointment. Since that time, CAM has kept tabs on Raytheon's contracts and the article has been updated. -CAM Editors

The Pentagon has awarded the defense giant Raytheon Technologies, the second largest weapons-maker in the world, over \$30 billion in government contracts since **Secretary of Defense Lloyd Austin III's** confirmation on January 22nd, 2021.

Austin was on Raytheon's board of directors prior to his confirmation.



Board of Directors



Lloyd J. Austin III

**General, U.S. Army (Ret.) and
Former Commander of U.S.
Central Command**

Lloyd J. Austin III is a member of the Raytheon Technologies Board of Directors. He brings expertise in government, senior leadership and international affairs.

Gen. Austin has been a member of the Raytheon Technologies board (including his service on the predecessor United Technologies Corporation board) since 2016.

Source: twitter.com

Austin at the time had made a commitment to resign from Raytheon's board and recuse himself from all matters concerning Raytheon for four years and agreed to divest from his financial holdings in the company, amounting to between \$500,000 and \$1.7 million in stock.

These initiatives, however, have not prevented Austin from using his position to bolster Raytheon's fortunes. Nor those of other defense contractors on whose board he has sat such as Booz Allen Hamilton, [the world's "most profitable spy organization,"](#) according to *Bloomberg News*, and Pine Island Capital, a private equity firm that invests in military industry.^[1]

At Austin’s nomination hearing, **Senator Elizabeth Warren** (D-MA) questioned him about his ties to Raytheon—whose headquarters are based in Warren’s home district (Waltham, Massachusetts).

A year earlier, Warren had proposed legal changes to strengthen ethics at the Defense Department by [blocking the revolving door between the Pentagon and giant defense contractors like Raytheon](#), including by prohibiting big defense contractors from hiring former Pentagon officials for four years after they leave government.

Warren paradoxically [voted to confirm Austin’s appointment as Defense Secretary](#)—even though he embodies the danger of the revolving door.

Mark Pocan (D-WI), who with **Barbara Lee** wrote a [letter](#) in November 2020 to **President-elect Joe Biden** requesting that he nominate a Secretary of Defense with no previous ties to weapons manufacturers, stated that “American national security should not be defined by the bottom lines of Boeing, General Dynamics and Raytheon.”

With men like Austin at the helm, however, it is very clearly being defined in this way.

Raytheon

Reporting revenues of [more than \\$67 billion in 2022](#), up from \$64 billion in 2021 and \$56 billion in 2020, Raytheon began its corporate life in 1922 as [the American Appliance Company](#). It developed refrigerators and radio parts and [made advances in vacuum tube technology and related electronics](#).

The company was drawn into military contracting during World War II when it manufactured magnetron tubes for use in radar systems.

RAYTHEON

(Reg. U. S. Pat. Off.)

The new tube that perfects the B-battery eliminator

PURE, resonant, clear tone—reserve power—freedom from worries of all kinds—aren't these the things you have always looked for in a B-eliminator? The things you have never been able to realize?

Here, then, is a tube that makes all these possible—that has immeasurably long life, uniform quality, ample power to run a 10-tube set. The RAYTHEON Rectifier is the result of prolonged experimentation and scientific research. It is the last word in the perfection of the B-battery eliminator, developed by an organization that is in the forefront of the engineering field, and endorsed by radio editors and leading manufacturers.

You can buy specially designed B-battery eliminators equipped with the RAYTHEON Rectifier at your dealers'. RAYTHEON Rectifying Tubes and specially designed parts for use in building your own B-eliminator are also obtainable from your retailer. Price of tube, \$6.

Look for the RAYTHEON name. It is the mark of quality and your assurance of satisfaction.



Long Life

*Replacements
Unnecessary*

Reserve Power

*Uninterrupted
Service*

AMERICAN APPLIANCE CO.

Cambridge, Massachusetts

Organization Integrity—Honest Merchandising—Truthful Advertising
Scientific Research—Sound Engineering—Basic Patents—Substantial Backing

Source: radiomuseum.org

One of Raytheon's founders, [Vannevar Bush](#), became president of the Massachusetts Institute of Technology (MIT) and chairman of the U.S. Office of Scientific Research and Development (OSRD) during World War II, which initiated the Manhattan Project that led to the development of the atomic bomb.

Today, Raytheon is best known as the maker of Patriot and Tomahawk missiles.

It has also been a pioneer in the development of [surface-to-air](#) and [air-to-air missiles](#) and precision weapons—including [guided missiles](#) and laser-guided bombs—and manufactures [air-launched nuclear missiles that are part of the U.S. nuclear triad](#).

Raytheon's profits have increased considerably as a result of the Ukraine War: it manufactures [Stinger and Javelin missiles](#), "the world's premier shoulder-fired anti-armor system" that have been sold to Ukraine along with the Patriot Defense system.

Raytheon CEO **Greg Hayes** [said](#) the Ukraine War had boosted demand for Raytheon products as governments raise defense budgets. "We remain in lockstep with the U.S. government to ensure we can continue to support our allies," Hayes told analysts on the company's earnings call.

Back in 2003, Raytheon put out a press release bragging that [half of all air-to-ground precision guided missiles \(PGMs\) used by coalition forces in Operation Iraqi Freedom were made by Raytheon](#).

Raytheon was also the [first major defense contractor to sell weapons to Saudi Arabia, selling the kingdom over 1,000 cluster bombs designed to maximize civilian casualties between 1970 and 1995](#). The company [hired members of the Saudi Royal Family as consultants](#), and [opened a branch in Riyadh in 2017](#).



Opening of Raytheon exhibit in Riyadh. [Source: eyeofriyadh.com]

After the Yemen war began in 2015, Raytheon, according to [an analysis by The New York Times](#), booked more than \$3 billion in new bomb sales to the Saudis, [causing its stock prices to increase from about \\$108 to more than \\$180 per share](#).



Protests against Raytheon outside the University of Massachusetts, Lowell where it was recruiting.
[Source: masspeaceaction.org]

In 2019, Raytheon sold an estimated [\\$8 billion in weapons to Saudi Arabia and the United Arab Emirates](#), which are centrally involved in the war in Yemen.

After an October 2016 Saudi airstrike on a funeral home in Sana'a that killed 140 people and wounded 500 more, human rights workers discovered a bomb shard bearing the identification number of [Raytheon](#).^[2]

It was one of at least 12 attacks on civilians that human rights groups tied to Raytheon's ordnance during the first two years of the war.

In order to secure the lucrative Saudi deals, Raytheon took advantage of federal loopholes [by sending former State Department officials to lobby their former colleagues, and later benefitted by having their former top lobbyist, Mark Esper, appointed as Defense Secretary in June 2019 in a precursor to General Austin's hiring.](#)

Phyllis Bennis of the Institute for Policy Studies, a left-wing think-tank, told *The Intercept* that since "Raytheon manufactures the bomb components that are used in Yemen, [General Austin] [bears a direct responsibility](#) [for war crimes and civilian deaths]. [He was making money as a board member of this company that is directly responsible for the death and destruction there.](#)"

William Hartung, the director of the arms and security project for the Center for International Policy, said that ["picking Austin was tantamount to making the position of Secretary of Defense the Secretary of Defense contractors."](#)

Profiting Off of Death

Fitting with Hartung's assessment, Raytheon has benefitted from multi-million-dollar government contracts on a near-daily basis since Austin has taken charge at the Pentagon.

On February 1st, 2021, the company secured a [whopping \\$290,704,534 government contract to produce equipment for depot maintenance facilities and services in support of the F-35 Lightning II](#), which military analyst Pierre Sprey characterized as [“overweight and dangerous.”](#)

Sprey stated that [“It's as if Detroit suddenly put out a car with lighter fluid in the radiator and gasoline in the hydraulic brake lines: That's how unsafe this plane is”](#) and [“full of bugs.”](#)

On March 26th, 2021, Raytheon received another huge contract valued at [\\$518,443,821 to produce advanced medium range air-to-air missiles \(AMRAAM\)](#), which have been credited with air-to-air kills in conflicts over Iraq, Bosnia, Kashmir and Syria and are being supplied now to Ukraine.

Raytheon has also been awarded [massive contracts](#) for the [Javelin anti-tank missile](#); the missile that allegedly [“keeps Putin up at night;”](#) and a [\\$32,853,210 contract](#) for [autonomous swarm strike loitering munitions](#), or [“suicide drones,”](#) which can be launched from unmanned surface and underwater vessels.



“Suicide drones” made by Raytheon. [Source: [thedrive.com](#)]

On November 30, 2022, Raytheon's Tewksbury Massachusetts branch was [awarded](#) a \$1 billion contract for procurement of surface-to-air missile systems, associated equipment, services and spares in “support of the efforts in Ukraine.”

The very same day, Raytheon's McKinney Texas branch was [awarded a \\$9 million contract](#) for upgrading helicopter night vision systems; in mid February 2023, the McKinney branch got a [\\$77 million contract](#) for radar system upgrades for the U.S. Navy P-8A Poseidon aircraft.

In response to this kind of profiteering, activists with the group Resist and Abolish the Military-Industrial Complex (RAM Inc.) [occupied the roof of a Raytheon building in Cambridge, Massachusetts](#) in March 2022 and draped banners over the railing which read: “End All Wars, End All Empires” and “Raytheon Profits From Death in Yemen, Palestine, and Ukraine.”



Source: [commondreams.org](https://www.commondreams.org)

One activist said in a statement: “With every war and every conflict, Raytheon’s profits multiply as bombs fall on schools, wedding tents, hospitals, homes, and communities. Living, breathing, human beings are being killed. Lives are being destroyed, all for profit.”



Source: [commondreams.org](https://www.commondreams.org)

Promoting More War

Though Austin claims to have recused himself from decisions involving Raytheon, the Pentagon under his direction is very clearly providing his old company with huge contracts

on a daily basis that [is bolstering its profits and stock price](#).

Austin furthermore has used his new bully pulpit to advocate for yet greater levels of military spending—to the benefit of Raytheon.

On February 25th, 2021, for example, on a visit to the *U.S.S. Nimitz*, Austin emphasized the need for U.S. warships throughout the globe to deter security threats—from China to Iran. A week later on a tour of Southeast Asia with Secretary of State Antony Blinken, Austin warned about China again and the North Korean nuclear threat and pledged that the U.S. would maintain a robust military presence in the Indo-Pacific.

He further cautioned North Korea that the United States, following military exercises with South Korea, was [“ready to fight tonight.”](#)

In a recent CNN interview, Austin [touted U.S. military aid to Ukraine](#) for “changing the dynamics on the battlefield” in the [war against Russia](#), saying that it would in the future allow Kyiv’s forces to “breach Russian defenses.”

“We’re training and equipping several brigades of mechanized infantry — that’s a pretty substantial capability,” Austin said. “In addition to that, additional artillery, and so they’ll have the ability to breach Russian defenses and maneuver, and I think that will create a different dynamic.”

Previously, Austin took to Twitter to reaffirm the U.S.’s [“unwavering support for Ukraine’s sovereignty, territorial integrity, and Euro-Atlantic aspirations.”](#) The latter implied the joining of the European Union (EU) and North Atlantic Treaty Organization (NATO), [which would](#) portend the outbreak of World War III.

In April of last year, Austin announced that the [United States would increase its military presence in Germany by about 500 personnel and was scuttling plans introduced by President Donald Trump for a large troop reduction in Europe](#).

Austin around the same time in Tel Aviv affirmed the U.S. [“ironclad commitment” to Israel](#), which receives a record \$3.8 billion in U.S. military aid each year, and on a visit to Afghanistan stated that the Biden administration wanted to see a “responsible end” to the Afghan war, but that the “level of violence must decrease” for “fruitful diplomacy” to have a chance.

These comments and many others were music to the ears of Raytheon, which gave [\\$506,424 in donations to Biden’s presidential campaign](#).

A Soldier’s Soldier

Besides his connection to Raytheon, Austin’s appointment as Pentagon chief was controversial because he had not been retired from the military for the requisite seven years and required a legal waiver.

Traditionally, the role of Defense Secretary is supposed to be a civilian position, ensuring the U.S.’s military apparatus is led not by a warfighter, but a policymaker. That requirement is [laid out](#) in the National Security Act of 1947 that established the Defense Department.

Heralded as a [“soldier’s soldier”](#) who would endure hardships with his troops, the 6’4” tall

Austin graduated from West Point in 1975, and led infantry troops in the capture of Baghdad during the 2003 Operation Iraqi Freedom.

After a stint commanding the 10th Mountain Division in Afghanistan, Austin was appointed as chief of staff of the U.S. Central Command at McDill Air Force Base in Tampa, Florida, a high-tech command post where military officers could watch live imagery on plasma screens and order air-strikes through the Pentagon's secure internet server.



General Austin with Defense Secretary Donald Rumsfeld at a meeting in Kandahar, December 4, 2003.
[Source: wikipedia.org]

Groomed for high military command by **Admiral Mike Mullen**, Chairman of the Joint Chiefs of Staff from 2007 to 2011, Austin was appointed as Commanding General of U.S. forces in Iraq in 2010, and Commander of the U.S. Central Command (CENTCOM), which is responsible for all military operations in the Middle East, by President Obama in 2013.

In this latter capacity, Austin drafted a war plan—approved by Obama—that allowed [the U.S. military for the first time to directly provide ammunition and weapons to Syrian opposition forces](#), who included Islamic jihadists.

President Obama also [endorsed General Austin's idea to increase the air campaign on Islamic State of Iraq and the Levant \(ISIS\) from Incirlik Air Base in Turkey](#).

The result was an increase in civilian deaths. Journalists Anand Gopal and Azmat Khat determined that [one in five of the 27,500 coalition air strikes in the 2nd Iraq War resulted in at least one civilian death](#), more than 31 times the number that was publicly acknowledged.

Just this week, before the 20th anniversary of the U.S. invasion of Iraq, Austin made a surprise visit to Iraq, where he assured Prime Minister Mohammed Shia al-Sudani that the U.S. would sustain its 2,500 occupying troops and continue to advise and train the Iraqi Armed Forces fighting against ISIS.

Austin's personal history and connection to the military and Raytheon mark him as a fitting Pentagon chief in an era of destructive militarism and creeping fascism in the U.S.

When civilians no longer control the key institutions of government and war industries ensure the perpetuation of endless wars from which they make obscene profits, the political system can no longer be defined as a democracy.

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Notes

1. Secretary of State Antony Blinken was a partner at Pine Island Capital.
2. "People were on fire, and some people were burned alive," one survivor, 42-year-old Hassan Jubran, [told human rights workers](#). "There were also many children," he said. "There were three children whose bodies were completely torn apart and strewn all over the place."

Featured image: General Lloyd J. Austin III at his confirmation hearing. [Source: euractiv.com]

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