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The American Military- Industrial Oligopoly: How the “Big Five” Firms Consolidated Power and Face New Challengers

Yuvraj Singh

CENTRE FOR LAND WARFARE STUDIES

Field Marshal Sam Hormusji Framji Jamshedji Manekshaw, better known as Sam “Bahadur”, was the 8th Chief of the Army Staff (COAS). It was under his command that the Indian forces achieved a spectacular victory in the Indo-Pakistan War of 1971. Starting from 1932, when he joined the first batch at the Indian Military Academy (IMA), his distinguished military career spanned over four decades and five wars, including World War II. He was the first of only two Field Marshals in the Indian Army. Sam Manekshaw’s contributions to the Indian Army are legendary. He was a soldier’s soldier and a General’s General. He was outspoken and stood by his convictions. He was immensely popular within the Services and among civilians of all ages. Boyish charm, wit and humour were other notable qualities of independent India’s best known soldier. Apart from hardcore military affairs, the Field Marshal took immense interest in strategic studies and national security issues. Owing to this unique blend of qualities, a grateful nation honoured him with the Padma Bhushan and Padma Vibhushan in 1968 and 1972 respectively.



**Field Marshal SHFJ Manekshaw, MC
1914-2008**

CLAWS Occasional Papers are dedicated to the memory of Field Marshal Sam Manekshaw

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The American Military-Industrial Oligopoly: How the “Big Five” Firms Consolidated Power and Face New Challengers

Abstract

This paper examines the evolution, consolidation, and contemporary transformation of the United States military-industrial complex (MIC), with a particular focus on the dominance of the “Big Five” defence contractors—Lockheed Martin, RTX, Boeing, General Dynamics, and Northrop Grumman. It argues that the emergence of this oligopoly was not a natural outcome of market competition, but the result of deliberate state engineering, particularly during the post-Cold War consolidation of the 1990s. The Pentagon’s role in encouraging mergers transformed a previously competitive industrial base into a highly concentrated structure, creating long-term dependencies between the state and a handful of prime contractors.

The paper analyses how these firms have translated structural market dominance into political and strategic influence. Through mechanisms such as lobbying, the “revolving door,” and the strategic distribution of supply chains across congressional districts, the Big Five have embedded themselves deeply within the domestic political economy. This has resulted in the institutionalisation of defence spending, where military procurement functions not only as a tool of national security but

also as a politically protected system of economic redistribution. At the international level, the study explores how these firms underpin U.S. hegemony through Foreign Military Sales, contributing to alliance structures while simultaneously intensifying global security dilemmas, fuelling arms races, and enabling the prolongation of conflicts.

At the same time, the paper situates the MIC within a period of significant technological disruption. The shift from hardware-centric warfare to software-defined, AI-enabled systems has exposed structural inefficiencies in the traditional acquisition model. The rise of venture-backed defence technology firms, such as SpaceX, Anduril, and Palantir – alongside Pentagon initiatives aimed at accelerating innovation and diversifying suppliers, signals an emerging challenge to the legacy oligopoly. However, rather than a complete displacement of established contractors, the analysis suggests the emergence of a hybrid ecosystem in which traditional firms retain dominance in large-scale platforms while newer actors drive innovation in software, autonomy, and data systems.

Ultimately, the paper argues that while technological change is reshaping the modalities of warfare, it does not fundamentally alter the underlying political economy of the MIC. Instead, emerging technologies may reinforce existing structures of power by making military operations more efficient, scalable, and persistent. The study concludes by questioning whether this evolving system will lead to a more accountable and adaptive defence architecture, or whether it will further entrench the structural conditions that sustain continuous military engagement.

Introduction

On January 17, 1961, in his farewell address to the nation, President Dwight D. Eisenhower issued a prescient warning that would permanently define the study of American statecraft:

“In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist” (Eisenhower, 1961).

At the time, Eisenhower was observing a novel phenomenon: the permanent, peacetime establishment of a massive armaments industry intimately intertwined with the federal government.

Historically, the United States mobilised its industrial base for specific conflicts and rapidly demobilised upon their conclusion. The Cold War, however, demanded a state of perpetual readiness, birthing the Military-Industrial Complex (MIC), a symbiotic, self-sustaining relationship between the military establishment, the political apparatus (Congress), and private defence contractors. Over the subsequent decades, this ecosystem evolved from a sprawling network of dozens of specialised manufacturers into a highly concentrated oligopoly. The defining catalyst for this modern era occurred in 1993, following the collapse of the Soviet Union. In a watershed Pentagon meeting famously dubbed the "Last Supper," the Secretary of Defence, Les Aspin, explicitly directed the executives of the nation's 51 major defence companies to consolidate or face financial ruin (Hartung, 2011). The post-9/11 “war on terror” gradually normalised permanent high levels of defence outlays and long-term weapons programmes (Stiglitz & Bilmes, 2008).

The term “military-industrial complex” (MIC) today captures a dense web of relationships linking the Pentagon, Congress, large defence contractors, and the wider ecosystem of think tanks, lobbyists, and financial actors that sustain continuous military spending and intervention.

Today, the undisputed core of the U.S. defence industrial base is controlled by the "Big Five" prime contractors. These corporate titans do not merely supply the military; they function as the vital research, development, and manufacturing appendages of the American state, pioneering the future of aerospace, autonomous tech, and advanced munitions.

1. **Lockheed Martin:** Lockheed Martin is the world’s largest defence contractor by arms revenue, generating around \$68 billion in defence sales in 2024 and dominating global rankings (Stockholm International Peace Research Institute [SIPRI], 2024). Heavily reliant on US government contracts, it plays a central role in shaping contemporary and future warfare. Its flagship F-35 Lightning II, the most expensive weapons programme in history, anchors US and allied airpower while integrating partner nations through shared platforms, training, and long-term sustainment networks (U.S. Department of Defence, 2023). Beyond this, Lockheed is a key player in missile defence, hypersonic weapons, and space-based systems, positioning it at the forefront of next-generation strike, deterrence, and surveillance capabilities (Lockheed Martin, 2024).

2. **RTX** (formerly Raytheon Technologies): A titan of precision lethality and aerospace intelligence. Formed through the merger of Raytheon and United Technologies¹, is a leading force in missiles, radars, and advanced sensor systems, underpinning modern precision warfare and aerospace intelligence. It produces critical platforms such as the Patriot air and missile defence system and Tomahawk cruise missile, alongside a wide range of precision-guided munitions widely deployed in conflicts from Yemen to Ukraine. By integrating aerospace, avionics, cyber, and electronic warfare capabilities, RTX enables networked, data-driven “kill web” operations that connect sensors, shooters, and decision-makers across domains. Increasingly, it is embedding artificial intelligence and autonomy into next-generation radars, missile guidance, and targeting systems, reinforcing its role in maintaining US global military awareness and strike capability.
3. **Boeing** (Defence, Space and Security): While globally recognised for commercial aviation, Boeing's defence division is a foundational pillar of U.S. force projection. It produces key platforms such as the F-15EX fighter², Apache attack helicopter, KC-46 aerial refuelling tanker, and P-8 maritime patrol aircraft, alongside strategic munitions that sustain air superiority. Straddling legacy manned systems and emerging autonomous capabilities, Boeing is

1 Raytheon and United Technologies merged in 2020 in an all-stock deal to form Raytheon Technologies (now RTX). The merger combined Raytheon's strength in missiles and sensors with United Technologies' aerospace businesses, including Pratt & Whitney and Collins Aerospace, significantly expanding its technological and market reach.

2 The F-15EX Eagle II is an advanced multirole fighter developed by Boeing for the U.S. Air Force as an upgraded variant of the legacy F-15 platform. It features enhanced payload capacity, modern avionics, advanced radar systems, and open mission systems architecture, enabling integration of next-generation weapons while complementing fifth-generation aircraft like the F-35.

advancing programmes like the MQ-25 Stingray for carrier-based autonomous refuelling and ISR (U.S. Navy, 2023). Its space and launch portfolio, though facing growing competition, continues to support critical functions including missile warning, secure communications, and broader strategic infrastructure (Boeing, 2024).

4. **General Dynamics:** The backbone of the nation's ground and naval forces. It is the sole manufacturer of nuclear-powered submarines, such as the Virginia-class (U.S. Navy, 2023), that constitute the most survivable leg of the US nuclear triad, while also producing the M1 Abrams main battle tank and the Stryker family of combat vehicles (U.S. Army, 2023). Beyond heavy platforms, its IT and cyber divisions play a critical role in integrating networks and securing communications across the Department of Defence. This fusion of traditional combat systems with advanced digital capabilities positions General Dynamics at the intersection of conventional force projection and the shift toward information-centric warfare (Sayler, 2020).
5. **Northrop Grumman:** The unrivalled leader in stealth technology, the central pillar of US strategic deterrence and high-end aerospace, serving as the prime contractor for the B-21 Raider stealth bomber and playing a key role in nuclear command, control, and communications, missile defence, and space systems (U.S. Air Force, 2023). Renowned for its leadership in stealth technology, having developed the B-2 Spirit and now the B-21³, it is deeply embedded in the modernisation of the US nuclear triad and the expansion of

3 The B-21 Raider is a next-generation stealth strategic bomber developed by Northrop Grumman for the U.S. Air Force as part of nuclear triad modernisation. Designed with advanced low-observable technology, open architecture, and potential for both crewed and uncrewed operations, it is intended to penetrate sophisticated air defense systems and deliver both conventional and nuclear payloads.

space-based architectures. Its expertise in low-observable design, advanced materials, and secure communications is complemented by growing investments in autonomous systems and AI-enabled battle management, positioning the company at the forefront of future warfare concepts and strategic operations (Northrop Grumman, 2024; Saylor, 2020).



Figure 1: The “Big 5” of America’s Defense Contractors

Source: *America’s biggest defense contractors* (McCarthy, 2016), Statista.

<https://www.statista.com/chart/4929/americas-biggest-defense-contractors/>

The hegemony of these five corporations is staggering. Recent analysis from the Watson Institute for International and Public Affairs indicates that from 2020 to 2024, private firms received \$2.4 trillion in Pentagon contracts, representing roughly 54% of the Department of Defence’s (DoD) entire discretionary spending (Hartung & Semler, 2025). Out of that pool, an astounding \$771 billion went exclusively to the Big Five. Furthermore, these five companies serve as the prime contractors for over 74% of all major defence acquisition programs, demonstrating market concentration that effectively sets the technological ceiling and logistical realities

of the U.S. military. At the global level, US companies as a whole accounted for roughly half of all arms revenues among the world's top 100 producers in 2023, with the top five producers all US-based, reinforcing their systemic importance to the international arms economy (Scarazzato et al., 2024).

These corporations also sit at the cutting edge of military technology, often functioning less as mere manufacturers and more as system integrators and long-term stewards of complex technological ecosystems. They lead large research and development programmes in stealth, hypersonics, missile defence, cyber operations, artificial intelligence, and autonomous systems, shaping not only current capabilities but also the contours of future warfare. Their role in setting standards, defining architectures, and embedding proprietary technologies into weapons and networks ensures that militaries and often allied governments are locked into their platforms for decades.

Yet this structural dominance raises a sharper and more controversial question at the heart of this research: to what extent do these firms merely respond to state-defined strategic needs, and to what extent do they actively shape, extend, or even export conflict to sustain profits and corporate power? Critical political-economy perspectives argue that the MIC has strong incentives to normalise permanent war and to favour military solutions over diplomacy, since major programmes and export deals depend on perceived threats and active theatres of operation (Vittori, 2019). Viewed from the same lens, the Big Five exert a systemic capture of foreign policy that strongly incentivises perpetual conflict. Because these publicly traded corporations are legally bound to generate continuous growth for shareholders, their business model fundamentally relies on the consumption of their products (expended ordnance in conflict zones) and the

perpetual recapitalisation of military hardware (Hartung & Semler, 2025; Vittori, 2019).

This dynamic manifests through the "Iron Triangle", the deeply entrenched alliance between defence contractors, Congressional committees, and the Pentagon. By pouring millions into lobbying efforts and strategically distributing their supply chains across key congressional districts, the Big Five transform defence spending into a politically untouchable domestic jobs program. Consequently, military budgets consistently expand regardless of peacetime conditions. The United States, which supplied around 42 per cent of global arms exports between 2021 and 2025 and exported weapons to 99 countries, has been accused of "exporting wars" by enabling and sometimes encouraging militarisation and intervention among partners and clients, with the Big Five as core beneficiaries of these flows (Stockholm International Peace Research Institute [SIPRI], 2026).

Despite decades of entrenched dominance, the unyielding grip of the Big Five is currently facing its most severe existential threat since the 1993 consolidation. The character of modern warfare is rapidly shifting from hardware-centric platforms (like massive, multi-decade fighter jet programs) to software-defined, AI-driven capabilities. The conflicts of the 2020s have demonstrated that expensive, exquisite legacy platforms are increasingly vulnerable to cheap, mass-produced autonomous systems and drone swarms.

The Pentagon, recognising the catastrophic risk of relying on a slow-moving, heavily bureaucratic oligopoly, is aggressively pivoting toward a new breed of defence technology startups rooted in Silicon Valley. These agile companies are challenging the legacy primes by operating on a "software-first" model, privately funding their own research and development, and delivering mission-ready AI platforms at a fraction of the traditional timeline. The rise of

firms such as SpaceX, Anduril, Palantir, and other venture-backed defence startups, along with the entry of major tech companies like Microsoft and Google into defence contracts, is challenging the claim that only the traditional primes can deliver cutting-edge capabilities. SpaceX, for example, has entered the SIPRI Top 100 with rapidly growing arms-related revenues (Scarazzato et al., 2025), while cloud and AI providers are becoming central to intelligence analysis, command-and-control, and logistics, areas that have historically been ancillary to hardware-centric primes.

The Pentagon's own procurement and technology strategies signal an awareness of this shift. Initiatives focused on "Replicator"-style, low-cost, autonomous systems (Defence Innovation Unit, 2023), internal development of large language models for classified environments, and a deliberate diversification of AI suppliers after disputes with particular vendors suggest a move away from exclusive dependence on a few legacy contractors. Officials have indicated that the Department of Defence is developing multiple in-house AI models and expanding partnerships with emerging tech firms to reduce supplier concentration and supply-chain risk, even as it continues to award massive contracts to the traditional Big Five. This dual dynamic – entrenched oligopoly in large hardware and strategic systems, combined with growing experimentation at the software and AI layer – raises the possibility of a reconfigured MIC in which primes, startups, and tech giants coexist and compete within a more fragmented but still highly militarised political economy.

This paper takes these tensions as its starting point. It examines how the Big Five of the American military-industrial complex emerged and consolidated, how they have underpinned U.S. hegemony and arms exports, and how their structural power may have contributed to the expansion and prolongation of wars in pursuit of corporate and shareholder interests. It then asks whether

the onset of AI-based defence platforms and new entrants is eroding their dominance or being subsumed into a revised oligopolistic order in which the same firms remain central by acquiring, partnering with, or politically disciplining challengers. In doing so, the analysis seeks to move beyond both celebratory accounts of technological leadership and simplistic narratives of conspiratorial warmongering, toward a nuanced political-economy assessment of how corporate power, technological change, and U.S. global strategy intersect in the twenty-first-century military-industrial complex.

The Historical Consolidation of the U.S. Defence Industrial Base

To understand the modern hegemony of the "Big Five" defence contractors, it is necessary to examine the structural evolution of the American military-industrial base. The current oligopoly was not the result of natural free-market capitalism, but rather a deliberate, state-engineered consolidation. By tracing the historical arc from the Cold War to the late 1990s, the mechanics of how these mega-corporations gathered their initial foothold become clear.

The Cold War Baseline: A Sprawling Ecosystem

In the first half of the twentieth century, the US defence industrial base was fragmented across government arsenals and numerous private firms that ramped up during wars and demobilised afterwards. World War II marked a decisive break, as the federal government poured unprecedented resources into aircraft, shipbuilding, and munitions, creating large private industrial capacities that did not fully recede after 1945 (Brandes, 1997). The onset of the Cold War and the Korean War entrenched this shift, with long-term procurement programmes, nuclear delivery systems, and aerospace projects requiring stable corporate partners rather than temporary wartime contractors (Hooks, 1991).

During the Cold War, the United States maintained an expansive and highly competitive defence industrial base. The ideological and military standoff with the Soviet Union necessitated a posture of perpetual readiness, ensuring a continuous stream of Pentagon funding. In the 1980s alone, under the Reagan administration's massive military buildup, the Department of Defence (DoD) routinely contracted with over 50 major aerospace and defence firms (Gansler, 1989).⁴

This era was characterized by a healthy degree of competition. The Pentagon, acting as a "monopsony" (a market with only one buyer), had the leverage to pit multiple prime contractors against each other. If the Air Force wanted a new fighter jet, it could solicit competitive bids from Lockheed, Boeing, McDonnell Douglas, Grumman, General Dynamics, and Northrop. This sprawling ecosystem kept costs relatively constrained, spurred rapid technological innovation, and prevented any single corporation from holding the government hostage over a specific weapons program (Peck & Scherer, 1962). Therefore, the number of significant contractors remained relatively large until the end of the Cold War. It was the combination of post-Cold War budget cuts and deliberate policy choices in the 1990s that catalysed a dramatic consolidation into today's Big Five.

The Post-Cold War Shock and the "Last Supper"

The collapse of the Soviet Union in 1991 fundamentally fractured this economic model. Without a peer competitor, the U.S. Congress aggressively slashed defence spending, seeking a post-Cold War "peace dividend." The procurement budget plummeted

4 Defense spending peaked at around 6-7% of GDP under the Reagan buildup, reflecting a strategy of perpetual readiness against the Soviet Union and ensuring continuous, high-volume Pentagon procurement.

by more than 50% between the late 1980s and the mid-1990s (Sapeter, 2002).⁵

It quickly became apparent to the Pentagon that the U.S. government could no longer sustain the sprawling network of 50-plus defence contractors. The turning point occurred in 1993, at a highly secretive and now-infamous dinner at the Pentagon, which would later be dubbed the "Last Supper." Secretary of Defence Les Aspin and Deputy Secretary William Perry invited the CEOs of the top American defence firms to a stark briefing. Perry explicitly informed the executives that the DoD budget could no longer support them all (Augustine, 1997). He issued a blunt ultimatum: the government would only fund the survivors. Industry leaders interpreted this as an invitation to consolidate, inaugurating an intense period of mergers and acquisitions that would shrink the number of major defence companies from 51 to 5 in just a few years (U.S. Department of Defence, 2022).

Crucially, the government did not simply suggest this consolidation; it actively subsidised it. The Pentagon agreed to reimburse companies for the costs associated with merging, including plant closures and severance pay, effectively underwriting the creation of the modern monopolies (General Accounting Office [GAO], 1997).

The Great Consolidation (1993–1997)

The "Last Supper" triggered one of the most aggressive waves of corporate mergers and acquisitions in American industrial history. Within just four years, the defence sector contracted from dozens of competitive firms into a handful of colossal

5 Total defense spending fell from roughly \$300 billion in 1990 to around \$260 billion by the mid-1990s (in constant dollars), with procurement accounts experiencing the steepest cuts.

conglomerates. The modern "Big Five" were forged in this brief, frantic window:

- **The Birth of Lockheed Martin (1995):** Lockheed Martin itself was a product of this wave. Lockheed Corporation had already grown by acquiring General Dynamics' fighter division and other assets in the late 1980s and early 1990s, expanding its footprint in tactical aviation and defence electronics. In 1994, Lockheed and Martin Marietta, then the second- and third-largest US defense contractors, announced a 10-billion-dollar merger, finalised in 1995, creating one of the largest aerospace and defense firms in the world and eliminating substantial factory capacity and overhead (Norris, 1994). Non-core assets shed during this process would later form companies like L-3 Communications, illustrating how consolidation at the top also restructured the tiered supplier base beneath the primes.
- **The Boeing Hegemony (1997):** Boeing's ascent as a defence prime was linked to its own mergers and strategic diversification. In 1997, Boeing merged with McDonnell Douglas⁶. Itself a major defence contractor, strengthening Boeing's position in fighters, bombers, and military transports, and consolidating US large-aircraft production (Useem, 1997). The merger combined Boeing's strengths in commercial aviation with McDonnell Douglas's extensive military portfolio, including the F-15, F/A-18, and key missile and space systems (Vartabedian, 1996). This deal effectively left Boeing and Lockheed Martin as the dominant players in many fixed-wing aircraft segments, reinforcing the pattern of duopolies and oligopolies across

⁶ The deal was valued at approximately \$13 billion.

key capability areas. Over time, Boeing integrated satellite and network businesses, although it would later face intensified competition in space from emerging firms such as SpaceX.

- **Northrop Grumman's Ascension (1994):** Northrop Grumman similarly emerged from transformative acquisitions. In 1994, Northrop's successful 2.1-billion-dollar bid for Grumman combined Grumman's naval aviation and surveillance expertise with Northrop's stealth and Air Force programmes, including work on the B-2 bomber (Peltz, 1994). This merger created a significant aerospace and defence player able to compete for large, cross-service contracts. Later acquisitions, notably TRW Inc. in 2002, expanded Northrop Grumman into space systems and information technology, reinforcing its role in strategic deterrence, missile warning, and command-and-control networks.
- **General Dynamics's Refocusing:** General Dynamics followed a somewhat different path, marked by cycles of divestiture and targeted growth. In the early 1990s, it sold its fighter aircraft business to Lockheed but doubled down on armoured vehicles, submarines, and information systems. Through acquisitions such as Bath Iron Works and IT firms, General Dynamics entrenched itself as a prime contractor in land and naval platforms while also integrating secure communications and IT services, positioning itself as a key supplier across multiple domains. The overall effect was to concentrate large, capital-intensive platforms in the hands of fewer firms while outsourcing more sub-system work to an extended network of smaller suppliers (Korb, 1996).

- **Raytheon's Strategic Expansion:** RTX, meanwhile, is the newest of the Big Five but draws on much older corporate lineages. In 2019, Raytheon Company and United Technologies Corporation announced an all-stock “merger of equals” that combined Raytheon’s air and missile defence, sensors, and weapons with United Technologies’ aerospace businesses, including Collins Aerospace and Pratt & Whitney (Raytheon Technologies, 2020). Finalised in 2020 and branded as Raytheon Technologies (now RTX), the deal created a “platform-agnostic” aerospace and defence conglomerate with about 74 billion dollars in 2019 revenues and a highly diversified technology portfolio. Otis and Carrier were spun off, sharpening RTX’s focus on defence and aerospace and reinforcing its status as a prime provider of missiles, avionics, and propulsion across multiple platforms.

This concentration gave the Big Five a structural foothold in the American system that goes beyond simple market share. Their programmes employ tens of thousands of workers across many states and congressional districts, making them politically salient employers and anchors of local economies (Hartung, 2023). Their role as prime integrators on complex, multi-decade platforms, such as the F-35, Virginia-class submarines, missile defence systems, and strategic bombers, ties them directly into long-term force-planning and alliance commitments. These characteristics reinforce their bargaining power vis-à-vis the Pentagon and Congress, since cancelling or radically restructuring major programmes often entails high political and strategic costs (Vittori, 2019).

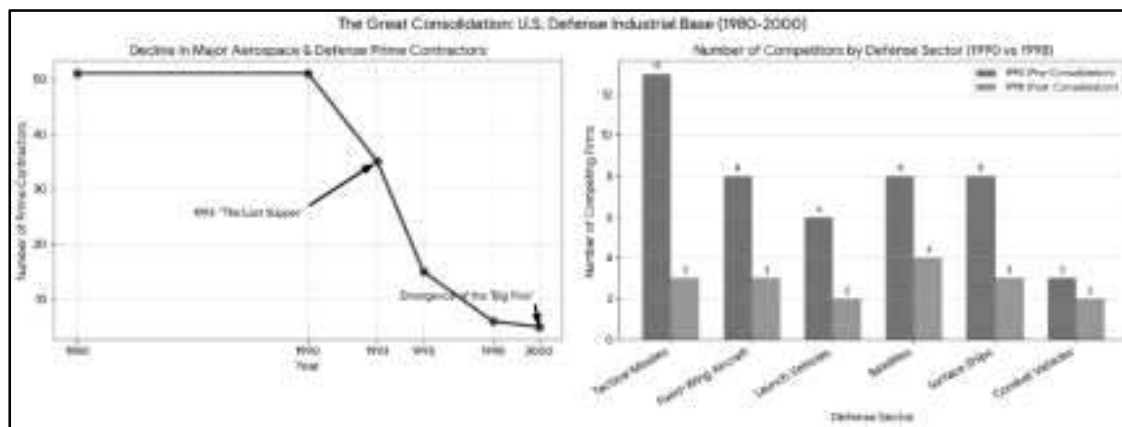


Figure 2: The Consolidation of American Defense Firms into the “Big Five”

Source: Created by the author

The Consequences: Monopsony Meets Monopoly

By the late 1990s, the DoD's mandate had succeeded, but it had birthed a structural monster. The dozens of competitive firms had been distilled into the Big Five.

This historical consolidation fundamentally altered the balance of power within the American system. The Pentagon, once a powerful monopsony with the ability to choose among many eager suppliers, suddenly found itself entirely reliant on a localised oligopoly (Gansler, 2011). In many critical defence sectors, such as nuclear-powered submarines or advanced stealth bombers, competition vanished entirely, leaving only a single viable manufacturer.

This lack of competition established the ultimate foothold for these corporations. Because the government is entirely dependent on the Big Five for its most critical national security architecture, these companies became structurally "too big to fail." This dependency finalised the architecture of the modern Iron Triangle. With their market share secure and competition eliminated, the Big Five could redirect their vast resources toward lobbying and political capture, ensuring that while the Cold War was over, the

budgets that sustained them would soon return to Cold War levels (Hartung & Semler, 2025).

Influence, Lobbying, and the Politics of War

The power of the modern defence oligopoly is not rooted in dictating direct military action. Rather, it is rooted in structural capture – the ability to shape the parameters of U.S. foreign policy, engineer domestic political dependency, and establish a global baseline of militarisation.

Domestic Capture: The Iron Triangle and the Revolving Door

The domestic influence of the Big Five is operationalised through a foundational concept in political science known as the "Iron Triangle" (Adams, 1981). This framework describes the self-reinforcing, deeply entrenched relationship between three nodes:

1. **The Department of Defence (The Bureaucracy and Military):** Seeks maximum budget allocations to maintain global supremacy and acquire the most advanced hardware.
2. **Defence Contractors (The Industry):** Seeks lucrative, long-term government contracts to satisfy shareholders and ensure corporate growth.
3. **Congressional Committees (The Legislature):** Seeks campaign contributions for re-election and manufacturing jobs to secure the votes of their constituents.

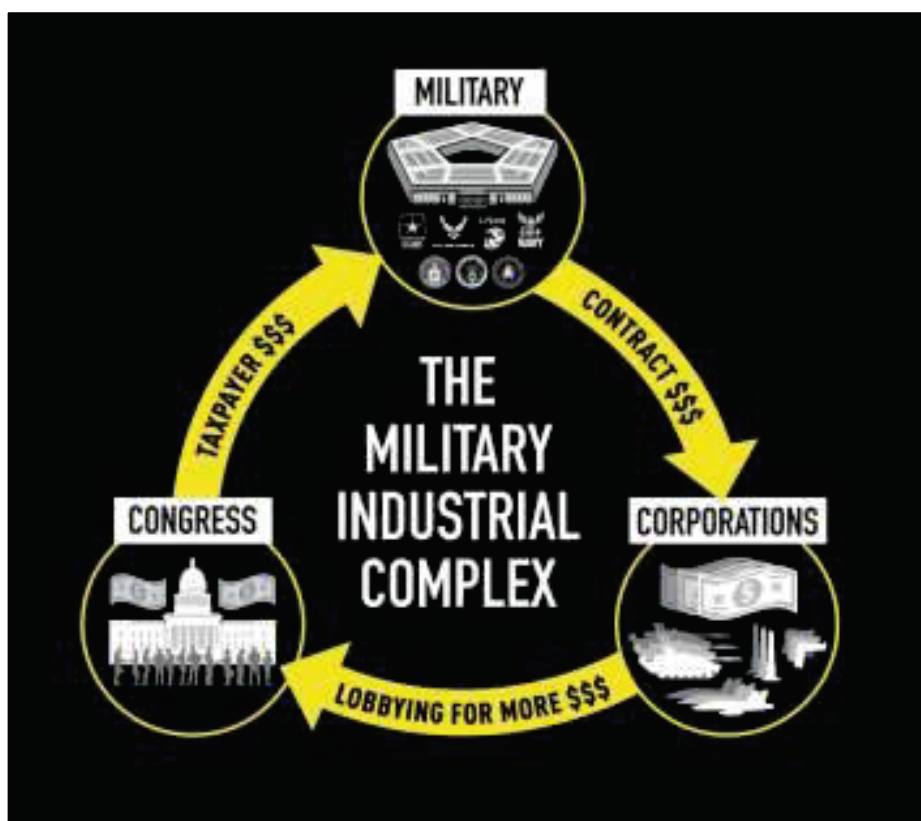


Figure 3: The Military Industrial Complex (MIC)

Source: Design Action Collective

<https://designaction.org/project/military-industrial-complex-infographics/>

The Big Five dominate this triangle through two primary mechanisms: lobbying expenditures and the "revolving door."

First, the sheer volume of capital injected into the political system is staggering. According to data tracked by organizations like OpenSecrets (2025), to translate structural incentives into concrete outcomes, the defence industry spends heavily on lobbying and political finance. In the 2023–24 cycle, defence-related industries spent roughly 150 million dollars on federal lobbying, with “defence aerospace” alone accounting for about 58 million dollars (OpenSecrets, 2025). This sector routinely ranks among the top ten spenders in Washington, even if it is outspent by pharmaceuticals and finance, suggesting that while defence is not the single largest lobby, it is persistently and strategically invested.

THE AMERICAN MILITARY-INDUSTRIAL OLIGOPOLY: HOW THE “BIG FIVE” FIRMS CONSOLIDATED POWER AND FACE NEW CHALLENGERS

A single prime contractor, such as Lockheed Martin, often spends upward of \$13 to \$15 million a year solely on lobbying efforts, deploying armies of advocates to Capitol Hill to ensure specific programs are funded.

Beyond lobbying, defence firms and their executives contribute campaign funds across both major parties, often targeting members of key committees such as Armed Services and Appropriations. Studies by watchdog groups find that over two decades, the sector as a whole has spent roughly 2.5 billion dollars on lobbying and more than 285 million dollars on campaign contributions, with the Big Five among the largest individual corporate donors (Aplin & Aplin, 2024; OpenSecrets, 2024). In return, these firms gain access to decision-makers, opportunities to shape legislative language in annual defence authorisation bills, and influence over specific programme decisions, such as protecting or expanding funding for the F-35, missile defence, or naval shipbuilding.

Second, this lobbying is highly effective because of the revolving door – the seamless movement of high-ranking military officers and Pentagon procurement officials into lucrative board and executive positions within the Big Five upon retirement, and vice versa. This creates an environment of regulatory capture, where the line between the customer (the government) and the vendor (the contractor) becomes functionally invisible (Project On Government Oversight [POGO], 2018). For example, former Secretary of Defence Mark Esper previously served as the top lobbyist for Raytheon (now RTX). Similarly, Secretary of Defence Lloyd Austin served on the board of directors for Raytheon before his appointment to the Pentagon (Lipton et al., 2020). While not inherently corrupt, this structural incestuousness guarantees that the individuals making procurement decisions share the exact same strategic assumptions, corporate vocabulary, and long-term incentives as the defence industry itself.

OpenSecrets estimates that since 2001, the defence sector has hired more than 2,700 “revolving door” lobbyists who previously worked in the federal government. In 2022 alone, at least 672 former officials, military officers, or members of Congress were serving as lobbyists, board members, or executives for the top 20 defence companies, and by early 2023, at least 517 of the 708 lobbyists working for defence companies had passed through the revolving door (OpenSecrets, 2023).

Political Engineering: The Anatomy of an "Unkillable" Program

The most potent weapon the Big Five possess to maintain their hegemony is political engineering. When a company designs a mega-program, it does not build the system in a single, efficient facility. Instead, it deliberately fractures the supply chain, distributing the manufacturing of parts across as many congressional districts as possible.

The quintessential example is the Lockheed Martin F-35 Lightning II. Lockheed intentionally distributed the F-35's supply chain across more than 45 U.S. states and eventually across allied nations. By doing this, they transformed a weapons platform into a politically untouchable domestic jobs program. If a politician attempts to cut funding for the jet, even in the face of massive cost overruns or technological failures, the contractor and its lobbyists can successfully frame the cut as an attack on local manufacturing jobs.

This dynamic often results in Congress forcing the military to buy equipment it explicitly does not want. A classic historical example is the General Dynamics M1 Abrams tank. For several years during the 2010s, the U.S. Army leadership repeatedly testified to Congress that they had enough tanks and requested that production be paused so funds could be reallocated to modernising other systems (Gould, 2012). However, because pausing

production would have resulted in job losses at the General Dynamics tank plant in Lima, Ohio, a politically vital swing state, Congress repeatedly ignored the military's request and appropriated hundreds of millions of dollars to build tanks the Army did not ask for (McLeary, 2014; Gertler, 2021). This perfectly illustrates how the corporate need for continuous production routinely overrides actual military necessity.

Do They Force the U.S. into Wars? The "War Shapers" vs. "War Starters"

To critically analyse the power of the Big Five, we must address the most enduring myth of the military-industrial complex: the determinist idea that these corporations directly initiate conflicts for corporate greed.

The empirical reality is that the Big Five do not dictate when or where the United States goes to war. Decisions to invade Iraq in 2003, intervene in Libya, or strategically pivot toward the Indo-Pacific are driven by a complex matrix of neoconservative or liberal interventionist ideologies, national security strategy, intelligence assessments, and executive branch leadership (Packer, 2005). Analyses of the Iraq War, for example, emphasise ideological drivers, intelligence failures, and presidential decision-making more than lobbying by Lockheed or Boeing, and major primes were not visibly at the forefront of the public campaign for invasion (Record, 2008). Similarly, escalation in Afghanistan or in the post-2014 confrontation with Russia is better explained by strategic and political logics than by explicit corporate war-mongering.

However, while they do not *start* wars, they fundamentally dictate *how* wars are fought. Because they lobby fiercely for exquisite, high-margin kinetic platforms (like stealth bombers, nuclear submarines, and precision missiles) over diplomatic funding or asymmetric capabilities, they ensure the U.S. military is

built almost exclusively for high-intensity, capital-intensive conflict (Gansler, 2011). As the adage goes, when the only tool the government heavily invests in is a hammer, every foreign policy crisis begins to look like a nail. Furthermore, once a conflict begins, the fiduciary duty of these publicly traded companies requires the continuous consumption of their products. They do not need to start the fire, but their economic survival relies on perpetually supplying the fuel.

Do They Make the World More Unsafe?

The most profound global impact of the Big Five lies in their role as the primary engines of U.S. arms exports, known formally as Foreign Military Sales (FMS).⁷

The global consequences of this configuration are contested. On one hand, proponents argue that a strong US defence industrial base underpins deterrence, reassures allies, and stabilises key regions, especially in the face of rising powers like China and revisionist actors like Russia (Brands, 2024). From this perspective, the Big Five's ability to rapidly arm Ukraine or to supply advanced systems to NATO allies enhances collective security and complicates aggression, making the world safer overall. On the other hand, SIPRI and other observers note that US arms exports grew by 27 per cent in 2021–25, cementing Washington's 42 per cent share of global transfers and contributing to a 9.2 per cent rise in global arms flows. These exports feed arms races, entrench authoritarian regimes, and increase the destructiveness of conflicts in the Middle East, Eastern Europe, and beyond. Transparency International warns that the MIC's influence can lead to "high defence spending that does not necessarily meet American defense

7 In recent years, annual U.S. FMS authorisations have exceeded \$80–100 billion, facilitating arms transfers to nearly 100 countries.

or foreign policy needs,” implying significant opportunity costs for human security and diplomacy.

The U.S. government views FMS as a vital tool of grand strategy: selling advanced platforms to allied nations locks those countries into American supply chains, maintenance schedules, and geopolitical alignment for decades. For the defence firms, these sales are vital for achieving economies of scale and padding order backlogs when domestic budgets tighten.

Concentration of military power in a few U.S. giants tends to worsen the security dilemma: when Washington sells advanced jets or missile defences to one country, its rivals feel threatened and respond by buying more weapons themselves, which makes crises more tense and war more likely (Jervis, 1978). These firms also help keep proxy wars going by providing a steady flow of bombs, parts, and maintenance that allow allies to fight longer than their own industries could support, for example, U.S.-made precision weapons and support to Saudi Arabia and the UAE helped sustain the long, destructive air war in Yemen. So, they rarely *start* wars on their own, but they make arms races sharper, conflicts longer and more lethal, and peaceful solutions harder to reach.

Ultimately, the power of the Big Five is immense, but it is a symbiotic power. They are not rogue entities holding the state hostage; rather, they are the indispensable, profit-driven tools through which the American state projects its global hegemony. The danger lies in the banal, bureaucratic reality that the U.S. economy, its domestic politics, and its foreign policy have become structurally addicted to the preparation for, and the material support of, warfare.

Technological Supremacy of the Big Five and the Pentagon's Diversification to Non-Traditional Vendors

For the better part of a century, the technological vanguard of the United States military was exclusively housed within the highly classified research laboratories of the legacy prime contractors. To comprehend the magnitude of the current disruption sweeping through the defence sector, one must first analyse the monumental engineering pedigree of the established oligopoly and how the very nature of their success eventually calcified into a structural vulnerability.

The Historical Monopoly on Technological Supremacy

The hegemony of the "Big Five"—Lockheed Martin, RTX, Boeing, General Dynamics, and Northrop Grumman—was not built on political lobbying alone; it was fundamentally secured through unparalleled feats of aerospace and heavy-metal engineering. Throughout the Cold War and the unipolar moment that followed, technological supremacy in warfare was entirely synonymous with exquisite, capital-intensive hardware.

The defence primes functioned as the uncontested architects of this paradigm. Facilities like Lockheed Martin's legendary "Skunk Works"⁸ and Boeing's "Phantom Works"⁹ birthed platforms that

8 Lockheed Martin's "Skunk Works," established in 1943, is one of the most influential advanced development programs in aerospace history, responsible for pioneering platforms such as the U-2, SR-71 Blackbird, and F-117 Nighthawk. Operating with a highly secretive, rapid-innovation model, it became a benchmark for classified defense R&D, demonstrating how small, autonomous teams could deliver breakthrough technologies on compressed timelines.

9 Boeing's "Phantom Works," established in the early 1990s, serves as the company's advanced research and development division, focusing on next-generation aerospace, autonomous systems, and experimental defense technologies. It has played a key role in developing concepts for stealth aircraft, unmanned systems, and future combat platforms, operating as Boeing's counterpart to Lockheed Martin's Skunk Works in driving rapid, high-risk innovation.

quite literally redefined the boundaries of physics and aerodynamics (Rich & Janos, 1994). The development of the U-2 spy plane, the SR-71 Blackbird, the F-117 Nighthawk, and the B-2 Spirit stealth bomber granted the United States undisputed dominance in conventional and strategic warfare (Aplin & Aplin, 2024). General Dynamics mastered the atomic-age complexities of the nuclear-powered submarine, while Raytheon (now RTX) pioneered the advanced radar arrays and precision-guided munitions that defined the First Gulf War (Scales, 1993). These firms excel at “system of systems” integration, combining hardware, software, and services into multi-decade programmes that lock in allies and generate predictable revenues. In hypersonics, directed energy weapons, and early AI applications, they hold a commanding lead, bolstered by the Pentagon’s Joint All-Domain Command and Control (JADC2) vision¹⁰, where their platforms form the backbone (Department of Defence, 2022). Academically speaking, this technological hegemony creates path dependencies: militaries worldwide standardise on U.S. architectures, reinforcing American primacy but also entrenching the primes’ market power (Smith, 2022).

This era established a specific, deeply entrenched model of defence innovation. Because no commercial entity possessed the capital, the classified infrastructure, or the risk tolerance to independently engineer a nuclear submarine or a fifth-generation stealth fighter, the Pentagon became entirely dependent on the legacy primes. The barriers to entry were insurmountable for new competitors. Development cycles spanned decades, research and development (R&D) was entirely funded by the government through "cost-plus" contracts (which guaranteed corporate profit

10 The Pentagon’s Joint All-Domain Command and Control (JADC2) vision seeks to integrate sensors, shooters, and decision-makers across land, air, sea, space, and cyber domains into a unified, data-driven network.

regardless of overruns), and the resulting platforms were designed to remain in service for half a century.

Critically, the software embedded within these legacy platforms was treated merely as a secondary feature, a closed, proprietary sub-system designed solely to operate the specific hardware it was attached to. The Big Five deliberately engineered these "closed architectures" to ensure vendor lock-in (Defence Innovation Board, 2019). If the Air Force wanted to upgrade the radar software on an F-35 or an F-22, it could not solicit competitive bids from independent software engineers; it was legally and technically forced to return to Lockheed Martin and pay exorbitant modernisation fees. For decades, this hardware-centric, closed-ecosystem approach formed an impenetrable technological moat around the traditional military-industrial complex.

The Pentagon's Recent Attempt to Pivot Away from the Big Five and the Fragmentation of Monopoly

Yet the Department of Defence is actively seeking to diversify away from this prime-centric model, driven by concerns over slow innovation, high costs, and industrial base fragility amid peer competition with China.

As the character of contemporary warfare has undergone a radical transformation, it exposes a critical vulnerability in the U.S. acquisition model. The conflicts of the 2020s, most notably the attritional, drone-heavy war in Ukraine and the escalating asymmetric naval engagements in the Red Sea, have fundamentally proven that expensive, exquisite legacy platforms are increasingly vulnerable to cheap, mass-produced, and autonomous systems (Hicks, 2024). The modern battlefield is no longer dominated solely by the kinetic power of a fighter jet, but by the speed and processing capability of the network that connects it. Warfare has become software-defined, relying on artificial intelligence and machine

learning algorithms for rapid targeting, autonomous drone swarms, and decentralised data fusion.

This reality creates an unsustainable economic and strategic curve for the Pentagon. The Big Five, bound by massive overhead and bureaucratic inertia, operate at a glacial pace. Furthermore, defending against modern asymmetric threats using their legacy hardware is fiscally ruinous. Firing a \$2 million RTX-manufactured Patriot missile or a \$2 million Standard Missile-2 (SM-2) to intercept a \$20,000 commercially modified kamikaze drone is an economic defeat for the United States, even if it registers as a tactical interception (Pahlka, 2023).

Recognising that the traditional Iron Triangle cannot innovate at the speed required to deter near-peer adversaries like China, the Department of Defence is aggressively attempting to circumvent its own bureaucracy. The Pentagon has elevated entities like the Defence Innovation Unit (DIU)¹¹ and launched the ambitious “Replicator” initiative—a mandate to field thousands of “attributable” (expendable and cheap) autonomous systems within 18 to 24 months. These initiatives are deliberately designed to bypass the traditional primes and funnel commercial technology and venture capital directly into the military ecosystem. Launched in August 2023 by then-Deputy Secretary Kathleen Hicks, the Replicator initiative exemplifies this shift: a \$1 billion push to field thousands of cheap, disposable drones and counter-UAS in 18–24 months to overwhelm adversaries in the Taiwan scenario. Unlike traditional programmes that take decades and billions, Replicator

11 The Defense Innovation Unit (DIU), established in 2015, serves as the Pentagon’s bridge to commercial technology firms, particularly in Silicon Valley, to accelerate the adoption of cutting-edge capabilities. By leveraging rapid contracting mechanisms and focusing on areas such as artificial intelligence, autonomy, cyber, and space, DIU aims to bypass traditional procurement bottlenecks and integrate non-traditional vendors into the defense ecosystem on significantly shorter timelines.

prioritises speed and scale, explicitly favouring “non-traditional” vendors over the Big Five (Austin, 2025).

This pivot has opened the floodgates for a Silicon Valley insurgency, led by a new breed of defence tech “unicorns” operating on a diametrically opposed business model. These startups are “software-first.” They utilise private venture capital to fund their own R&D, refusing to wait for the Pentagon's decade-long requirements process, and they build open-architecture systems designed for rapid, continuous iteration. In addition, Artificial intelligence is the sharpest disruptor, with startups like Anduril, Palantir, and Saronic challenging the Big Five’s software and autonomy dominance.

Some prominent ones include:

- **Anduril Industries:** Founded by tech entrepreneur Palmer Luckey, Anduril represents the most aggressive existential threat to the legacy primes. Rather than focusing on bending metal for decades, Anduril focuses on the algorithmic brain. Its flagship product, Lattice OS, is an AI-powered software platform that ingests data from disparate sensors to create a real-time, 3D command-and-control interface. The company then rapidly manufactures scalable, autonomous hardware, such as its Ghost drone variants, Roadrunner interceptors, and Dive-LD autonomous submarines, to operate within that software ecosystem. By proving they can deliver mission-ready autonomous systems in months rather than decades, Anduril has achieved a valuation exceeding \$14 billion, signalling to Wall Street that the traditional defence monopoly is actively fracturing (Anduril, 2024; Luckey, 2023).
- **Palantir Technologies:** Palantir essentially shattered the legacy stranglehold on military data processing. Through

its Artificial Intelligence Platform (AIP) and its foundational role in the Pentagon's Project Maven (the military's flagship AI targeting program), Palantir has become the indispensable software layer for modern logistics and battlefield awareness (Military.com, 2026). By demonstrating that agile, commercial software can dramatically outperform bespoke, contractor-built legacy systems, Palantir forced the DoD to accept software companies as prime contractors in their own right.

- **Shield AI and Helsing:** The disruption extends deeply into the realm of autonomy. Firms like Shield AI are developing "Hivemind," an AI pilot that enables drone swarms to operate cooperatively in heavily jammed, GPS-denied environments without human communication (Shield AI, 2026). Similarly, the European startup Helsing is injecting advanced AI directly into legacy platforms, processing complex sensor data at the tactical edge (Helsing, 2025).
- **Saronic:** Saronic sits at the bleeding edge of maritime autonomy, targeting a domain where the Big Five are still heavily tied to large, crewed platforms such as destroyers, frigates, and submarines. Instead of competing to build the hull, Saronic focuses on the intelligent layer that rides on and around it. The company designs and manufactures small and medium unmanned surface vessels with embedded autonomy stacks, allowing them to perform ISR, mine countermeasures, and electronic warfare missions with minimal human oversight. By field-testing swarming behaviours, resilient mesh networking, and edge-deployed AI models at sea, Saronic offers the Navy something the primes have historically struggled with: rapidly iterated, low-cost maritime robots whose capabilities improve on software timelines rather than shipbuilding timelines. In

doing so, it helps redefine what counts as a “platform” at sea and signals that future naval power may hinge as much on fleets of smart, attritable boats as on a handful of exquisite capital ships (Naval News, 2025).

- **SpaceX:** SpaceX represents an equally profound challenge in the space and launch segment, long dominated by legacy firms like Boeing and Lockheed Martin. By slashing launch costs through reusable rockets and vertically integrating satellite manufacturing, it has turned space from a boutique domain into an accessible, high-tempo arena. Its Starlink/Starshield constellations, demonstrated over Ukraine, showed that a private company can deliver resilient, low-latency communications and ISR-adjacent services on a timescale and scale the primes cannot easily match. For the Pentagon, this means that the “high ground” of space is no longer the exclusive preserve of traditional primes delivering a handful of exquisite national satellites; instead, it can be populated by tens of thousands of commercial-grade satellites providing connectivity, navigation augmentation, and tactical data links. SpaceX thus undercuts legacy cost structures, compresses development cycles, and forces the DoD to treat commercial space actors as strategic partners and, in some cases, as de facto primes in their own right (SpaceX, 2024; CRS, 2025).

The DoD’s AI Acceleration Strategy, released in January 2026, doubles down: it calls for an “AI-first” military, in-house model development, and bureaucratic reforms to favour entrepreneurial dynamism over prime monopolies (U.S. Department of Defence, 2026). Consortia like Palantir-Anduril-SpaceX-OpenAI bidding on major contracts signal a Silicon Valley push to “take on defense giants” (Metz & Schmidt, 2026).

Ultimately, these dynamic forces a critical inflexion point for the military-industrial complex. While the narrative of nimble startups overthrowing lumbering giants is compelling, the immediate future is likely not a complete usurpation. The Big Five retain unparalleled institutional capacity for mass heavy-manufacturing and deeply entrenched political lobbying networks (Aplin & Aplin, 2024). Primes remain unmatched in large hardware—nuclear subs, bombers, carrier variants, where scale and certification matter most. They’re adapting aggressively: Lockheed has acquired AI firms like Terran Orbital; RTX partners with Palantir; Boeing invests in autonomy startups (Insinna, 2025; RTX, 2025). In plain language, the old giants won’t vanish; they’ll buy or team up with the upstarts, creating a hybrid where primes handle integration, and startups supply the “brains.” Software algorithms cannot transport a Marine Expeditionary Unit, nor can an AI pilot substitute for the strategic deterrence of an Ohio-class nuclear submarine.

Academically, this points to a tiered MIC: a stable oligopoly atop a vibrant software/AI ecosystem. The Pentagon’s diversification reduces risk (e.g., supply-chain shocks exposed in Ukraine) but risks fragmentation—interoperability issues if startups’ systems don’t mesh with F-35 or B-21 backbones (Defence Innovation Board, 2025). Critically, AI disruption may amplify the MIC’s war-making potential: cheap swarms lower escalation thresholds, automate lethality, and enable persistent surveillance, potentially making conflicts more frequent or enduring even as they become less manpower-intensive (Scharre, 2024).

Therefore, the defining geopolitical and economic friction of the coming decade will be a battle of assimilation versus independence. The legacy primes, recognising the existential threat, will attempt to flex their vast capital reserves to acquire these disruptive startups, absorbing their software capabilities into the traditional

oligopoly. Conversely, the true test of this disruption will be whether the Pentagon can radically reform its lethargic procurement laws fast enough to allow these AI-driven startups to survive and scale as independent Prime contractors, thereby permanently altering the architecture of American power. In sum, the Big Five's technological hegemony endures in strategic domains, but AI and startups are injecting competition, speed, and Silicon Valley logic into the system. Whether this yields a more innovative, responsive defence base or merely entrenches corporate power under new guises remains an open question, one that will define the next decade of U.S. military primacy.

Conclusion

The American military-industrial complex today stands at a critical inflexion point, shaped by decades of deliberate state engineering and now challenged by rapid technological disruption. The consolidation of the defence industrial base into the hands of a few dominant firms was not an organic outcome of market competition, but a strategic decision that transformed the United States from a monopsonistic buyer into a structurally dependent consumer. This process entrenched the dominance of a handful of firms and embedded them deeply within the state's political and strategic architecture.

The power of these firms does not lie in directly instigating conflict, but in shaping the modalities through which war is conducted, sustained, and normalised. Through entrenched linkages between industry, government, and the military establishment, defence production has become inseparable from domestic political economy. Weapons systems are no longer merely instruments of national security; they are also vehicles of employment, regional economic stability, and political capital. This

fusion ensures continuity in defence spending irrespective of strategic necessity.

At the global level, this structural arrangement has significant implications. The export of advanced military systems and the expansion of defence partnerships contribute to the diffusion of high-end capabilities across volatile regions. While these transfers serve strategic and diplomatic objectives, they also intensify security dilemmas, reinforce arms races, and enable prolonged conflicts by sustaining the material capacity for warfare. In this sense, the system does not simply respond to global insecurity; it can also reproduce and amplify it.

However, this entrenched order is no longer uncontested. The changing character of warfare, marked by autonomy, artificial intelligence, and cost asymmetry, has exposed the limitations of legacy, hardware-centric systems. The rise of agile, software-driven firms signals a structural shift in the innovation ecosystem, challenging the traditional dominance of the established contractors. The Pentagon's efforts to incorporate these new actors reflect an acknowledgement that speed, adaptability, and scalability are now as critical as industrial capacity.

Yet, this transition is unlikely to result in a wholesale displacement of the existing order. Instead, a hybrid structure is emerging, wherein traditional firms retain control over large-scale, capital-intensive platforms, while newer entrants drive innovation in software, autonomy, and data systems. The future of the military-industrial complex will therefore be defined not by replacement but by integration, competition, and adaptation.

Ultimately, while technological change may transform the means of warfare, it does not necessarily alter the underlying political economy that sustains it. The incorporation of artificial intelligence and autonomous systems may enhance operational

efficiency and reduce costs in certain domains, but it also risks lowering barriers to conflict and increasing the frequency of military engagement. The central question, therefore, is not whether the system will change, but whether it will become more accountable and restrained, or simply more efficient in perpetuating the conditions for continuous conflict.

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This paper examines the evolution and consolidation of the United States military-industrial complex (MIC), focusing on the dominance of the “Big Five” defence contractors and their deep integration with the state. It argues that this oligopoly emerged not through market competition but through deliberate post–Cold War policy decisions that reshaped the defence industrial base. The study highlights how these firms have translated structural dominance into political influence via lobbying, supply-chain distribution, and the revolving door, embedding defence spending within domestic political economy. At the global level, it explores how arms exports reinforce U.S. hegemony while contributing to security dilemmas and prolonged conflicts. The paper also analyses the disruption posed by AI-driven, software-centric defense startups, suggesting the emergence of a hybrid ecosystem. Ultimately, it questions whether technological change will reform the MIC or further entrench its role in sustaining continuous military engagement.

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Yuuvraj Singh is a former Research Assistant at CLAWS, focusing his research on the USA and its implications on the Global South. He holds a Master's and Bachelor's in Political Science (with specialisation in International Relations) from Kirori Mal College, Delhi University. He will be pursuing his Second Master's from King's College London. He has previously worked at ORF, NITI Aayog, and MEA, researching a range of topics concerning the Global South, Conflict, Maritime Security, and Sustainability. His research has also been published at several

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