STUDY NOTES · BASIC CONCEPT

What Is Foreign Military Assistance and How Can It Shape US–Israel Relations?

International Relations

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1. Meaning of Foreign Military Assistance

Foreign military assistance refers to financial, material, technical or training support provided by one country to another to strengthen its defence capabilities.

Governments use military assistance to support allies, improve interoperability, strengthen regional partnerships and advance their security and foreign-policy objectives.

Military assistance may include:

- Grants for purchasing defence equipment.
- Loans or other financing arrangements.
- Transfers of weapons and military technology.
- Training, maintenance and logistical support.
- Joint research, development and defence production.

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Key distinction: Military assistance and commercial arms sales are not the same. Assistance may subsidise a recipient's purchases, whereas commercial arms sales generally involve a buyer paying for defence equipment under an agreed transaction.

2. How Does US Military Assistance to Israel Work?

The United States and Israel maintain a longstanding defence partnership. US assistance has supported Israeli military capabilities, while defence cooperation has also served American strategic interests in West Asia.

A major framework is the 2016 Memorandum of Understanding (MoU), which envisaged approximately **$38 billion over ten years for fiscal years 2019–2028**.

Component	Approximate amount under the MoU	Purpose
Foreign Military Financing	$33 billion	Support for eligible purchases of US defence equipment and services

Component	Approximate amount under the MoU	Purpose
Missile defence cooperation	$5 billion	Cooperation on missile defence capabilities
Total	$38 billion	Ten-year assistance framework

These figures describe the existing MoU framework, not a guarantee that every future payment will remain unchanged.

What is Foreign Military Financing?

Foreign Military Financing (FMF) is a US security assistance programme that helps eligible partner countries finance purchases of US defence equipment and services.

It can support the acquisition of aircraft, ammunition, military systems and other approved equipment, subject to programme rules.

FMF also benefits parts of the US defence industry because funds are used to purchase eligible American-produced equipment and services.

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3. What Has Trump Proposed?

According to the reported announcement, President Donald Trump intends to end approximately $4 billion in annual US military assistance to Israel while continuing to sell weapons to the country.

He has argued that Israel is sufficiently capable to purchase its own equipment and that the assistance is no longer necessary.

However, several distinctions are important:

1. **An announcement is not the same as implementation.** The legal and budgetary steps required for a change still matter.
2. **Existing commitments may remain relevant.** The current MoU runs through 2028, so the proposed timing raises questions about how the transition would work.
3. **Ending grants does not necessarily end arms transfers.** Israel could continue buying American weapons commercially.
4. **The precise scope remains important.** The effects would depend on which forms of assistance end and what arrangements replace them.

4. Military Grants Versus Commercial Arms Sales

DSCA Director Mike Miller Signs a $4 Billion FMF Loan Guarantee to Poland, Advancing Strategic Partnership and Stre

Foreign military assistance

Financial support helps an eligible recipient acquire defence equipment. It can reduce the recipient's direct expenditure and reinforce a strategic relationship.

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Commercial arms sales

The recipient purchases equipment through a commercial or government-approved sale. The buyer bears the agreed financial cost, subject to the transaction's terms.

Blinken leaves Israel after talks; Netanyahu rebuffs Hamas terms on Gaza deal - The Washington Post

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Higher-Ed Lobbying Group, Eyeing an In-Person Fall, Asks Congress for Liability Shields

Dimension	Military assistance	Commercial arms sales

Financial burden	Partly or substantially supported by assistance	Generally borne by the purchaser
Supplier's benefit	May support domestic defence production	Generates sales revenue for suppliers
Strategic relationship	Can reinforce political and security commitments	Can preserve defence ties through trade
Recipient's choices	Subject to funding conditions and eligibility rules	Subject to export controls, approvals and contractual terms

A transition from assistance to commercial purchases may change the financial burden without necessarily ending the underlying defence relationship.

5. Why Is US Military Assistance Strategically Important?

A. Maintaining regional partnerships

Military assistance can strengthen the defence capabilities of a partner and deepen long-term security cooperation.

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B. Defence interoperability

Common equipment, training and technical standards can make it easier for partner forces to coordinate and maintain compatible systems.

C. Political influence

Assistance can provide the donor with leverage and influence. It may also create expectations about consultation, accountability and the use of military capabilities.

D. Defence-industrial interests

Military financing can support domestic manufacturers, research and production. Changes in financing may affect procurement pipelines, future orders and industrial planning.

6. What Role Does the US Congress Play?

The US Congress has an important role in authorising programmes, appropriating public funds and overseeing foreign assistance.

The President has significant authority in foreign policy, but an announcement does not automatically cancel every existing funding commitment or contractual obligation.

Congressional legislation, annual appropriations, existing agreements and other applicable legal requirements can all affect the implementation of changes.

This illustrates a key principle of constitutional governance: **foreign policy decisions operate within domestic legal and institutional frameworks.**

7. Implications for West Asian Security

A substantial change in US military assistance could affect regional perceptions of American commitment and Israel's future defence planning.

Potential consequences include:

- Changes in Israel's defence expenditure and procurement priorities.
- Adjustments in military planning by regional states.
- Continued US influence through arms sales and technology cooperation.
- Greater uncertainty if the transition is abrupt or poorly coordinated.
- Changes in political debate within the United States over overseas military commitments.

The final effects cannot be determined from the announcement alone. They will depend on implementation, the security environment and future bilateral agreements.

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8. Implications for India

India has significant interests in stability across West Asia because of its energy requirements, diaspora, trade and strategic partnerships.

Energy security: Regional conflict or disruption to shipping can increase energy costs.

Protection of Indian nationals: Escalation may create evacuation and consular challenges for Indians living in the region.

Strategic autonomy: India maintains relationships with the United States, Israel, Iran and Arab countries. It must assess each issue in light of its national interests.

Defence cooperation: Changes in international arms partnerships may influence defence markets, technology cooperation and procurement opportunities.

Diplomatic priorities: India benefits from regional de-escalation, protection of civilians and respect for international law.

9. Major Challenges in Changing the Assistance Framework

Legal and budgetary constraints: Existing agreements and appropriations may limit how quickly a transition can occur.

Financial burden: Israel may need to allocate more domestic resources to purchases previously supported by assistance.

Procurement continuity: Abrupt changes could complicate contracts, production schedules and delivery arrangements.

Regional uncertainty: Allies and rivals may interpret changes in assistance as signals about future security commitments.

Political differences: Domestic debates in both countries may influence the terms and pace of the transition.

10. Way Forward

A well-managed transition would require clear communication between the two governments, transparency about existing commitments and compliance with applicable legal requirements.

Both countries could assess future defence cooperation in terms of shared security interests, procurement needs, technology development and financial sustainability. Regional diplomacy should accompany defence planning to reduce escalation risks.

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11. Conclusion

Foreign military assistance is more than a financial transfer: it is also an instrument of diplomacy, security cooperation and industrial policy. The proposed US shift from annual assistance to commercial arms sales could change the financial structure of the US–Israel relationship, but it does not automatically imply the end of defence cooperation. The actual outcome will depend on legal implementation, future agreements and evolving regional security needs.