

AEROSPACE AND DEFENSE

# Defense Stock Winners and Losers From Trump's 'Carrot and Stick' Approach

By [Al Root](#) [Follow](#)

Updated Jan 09, 2026 4:56 pm EST / Original Jan 09, 2026 7:52 am EST

...

The U.S. government is the largest customer of many defense contractors, but it doesn't have an equity stake or a golden share that can dictate board-level policies. The executive order references the Defense Production Act, a 1950s law, which authorizes the government to compel companies to prioritize its orders over commercial concerns during national emergencies.