

Global study reveals who's financing nuclear arms makers

GENEVA – A groundbreaking report released today by the International Campaign to Abolish Nuclear Weapons (ICAN) identifies more than 300 banks, pension funds, insurance companies and asset managers in 30 countries with substantial investments in nuclear arms producers. The 180-page study, *Don't Bank on the Bomb: The Global Financing of Nuclear Weapons Producers*, provides details of financial transactions with 20 companies that are heavily involved in the manufacture, maintenance and modernization of US, British, French and Indian nuclear forces.

Nuclear disarmament campaigners are appealing to financial institutions to stop investing in the nuclear arms industry. "Any use of nuclear weapons would violate international law and have catastrophic humanitarian consequences. By investing in nuclear weapons producers, financial institutions are in effect facilitating the build-up of nuclear forces. This undermines efforts to achieve a nuclear-weapon-free world and heightens the risk that one day these ultimate weapons of mass destruction will be used again," said ICAN campaigner Tim Wright, a co-author of the report.

South African activist and Nobel Peace Prize winner Desmond Tutu, a supporter of ICAN, contributed the foreword to the report, in which he called on financial institutions to "do the right thing and assist, rather than impede, efforts to eliminate the threat of radioactive incineration", noting that divestment was a vital part of the successful campaign to end apartheid in South Africa. "Today, the same tactic can – and must – be employed to challenge man's most evil creation: the nuclear bomb. No one should be profiting from this terrible industry of death, which threatens us all."

Nuclear-armed nations spend in excess of US\$100 billion each year maintaining and modernizing their nuclear forces, according to the report. Much of this work is carried out by corporations such as BAE Systems and Babcock International in the United Kingdom, Lockheed Martin and Northrop Grumman in the United States, Thales and Safran in France, and Larsen & Toubro in India. Financial institutions invest in these companies by providing loans and purchasing shares and bonds.

Of the 322 financial institutions identified in the report, roughly half are based in the US and a third in Europe. Asian, Australian and Middle Eastern institutions are also listed. The institutions most heavily involved in financing nuclear arms makers include Bank of America, BlackRock and JP Morgan Chase in the United States; BNP Paribas in France; Allianz and Deutsche Bank in Germany; Mitsubishi UJF Financial in Japan; BBVA and Banco Santander in Spain; Credit Suisse and UBS in Switzerland; and Barclays, HSBC, Lloyds and Royal Bank of Scotland in Britain.

The report emphasizes the humanitarian, legal and environmental arguments for divestment, noting the unique destructive potential of nuclear weapons. Setsuko Thurlow, a survivor of the US atomic bombing of Hiroshima in 1945, writes in the report: "Anyone with a bank account or pension fund has the power to choose to

invest his or her money ethically – in a way that does not contribute to this earth-endangering enterprise.” In addition to stating the ethical case for divestment, the report also warns of the reputational risks associated with financing nuclear arms, and highlights the positive role that financial institutions could play in the quest for a world free from such weapons.