

Taming the Russian Nuclear Demon

WITH MUCH OF THE WORLD'S NUCLEAR MATERIAL

dispersed throughout Russia and the other post-Soviet republics, the vulnerability of nuclear sites in the region is the gravest security threat the world faces. The quickest route to nuclear terrorism, most experts agree, goes right through the former Soviet Union.

It is no wonder, then, that securing the legacy of Soviet weapons of mass destruction, including biological and chemical weapons, is among the Ploughshares Fund's highest priorities. Since 1991 Ploughshares has invested more than three million dollars in over 100 civil society projects, two thirds of which went to indigenous projects in the region, and one third to American and European groups working in concert with their Russian counterparts.

Securing nuclear materials can mean anything from fortifying fences, to training guards, to building facilities for converting the material to non-weapons usable forms, to going in and airlifting vulnerable uranium to secure storage sites. "It used to be said that potatoes were better guarded in Russia than nuclear weapons and materials," says Ploughshares Fund Program Officer **Paul Carroll**. "Those days are past now, but we still have a long way to go before all of it is securely locked up or disposed of." The Nunn-Lugar program allocated billions of U.S. dollars to help dismantle and safely store Russian nuclear weapons, but those funds are continually subject to political maneuvering and budget cuts. **John Bolton**, who left his post as chief arms control official in the State Department in Spring 2005 pending his appointment as U.S. Ambassador to the United Nations, has been blamed by both



Ploughshares Fund President Receives Millennium Award

No, that is not Sally Lienthal flanked by Michael Douglas and Mikhail Gorbachev, but rather Ploughshares Fund's former Board Chair Lewis Butler, who accepted the Individual

Environmental Leadership Award in Sally's place when she was sidelined by illness. Global Green USA, the U.S. affiliate of President Gorbachev's Green Cross International, honored Sally at a gala celebration in Los Angeles on April 15th. In his presentation of the award to Sally, Ploughshares Fund board member Michael Douglas said, "Sally Lienthal represents not only the best of what it means to be an American, but what it means to be human. She has vision, the passion, and the heart to bring us together to solve the most critical issue facing human beings today — building a safer, more secure world for all of us and our children."

Republicans and Democrats for failing to negotiate an end to an arcane legal dispute over which country would be liable in the event of an accident at a disposal site, which threatens to derail the entire program. With Ploughshares Fund support, the Russian-American Nuclear Security Advisory Council is working behind the scenes to broker an agreement that would save the program.

The Ploughshares Fund continues to be one of the few sources of support for citizens' groups seeking to remediate decades of environmental devastation caused by the produc-

continued on page 2

Grants for Russian Nuclear Security: Highlights

Analytical Center for Non-Proliferation

(Sarov and Snezhinsk) Ploughshares funding established non-proliferation centers at Russia's most prominent nuclear weapons facilities, Chelyabinsk-70 and Arzamas-16, aimed at the long-term conversion of Russia's nuclear weapons complex.

Center for Arms Control, Energy and Environmental Studies (Moscow)

The first non-governmental arms control policy research institute in Russia was founded in 1991 with a grant from the Ploughshares Fund.

Citizens' Center for Nuclear Non-

Proliferation (Krasnoyarsk) Organized a public outreach and policymaker education campaign to prevent the completion of a reprocessing facility in Krasnoyarsk.

Ecodefense! (Kaliningrad)

Along with other grantee organizations, Ecodefense! gathered an astonishing 2.5 million signatures calling for a prohibition on the import of spent nuclear fuel. Despite the measure's ultimate defeat, the campaign awakened the country to the potential of citizen action.

Landau Network-Centro Volta (Como, Italy)

Promoted Russian-European-American cooperation on the conversion of the Russian nuclear complex.

Monterey Institute of International Studies

(Monterey, CA) Produced an action plan for the removal of Soviet-origin nuclear materials from high-risk sites in Uzbekistan, Belarus and Ukraine.

Movement for Nuclear Safety (Chelyabinsk)

Organized a nationwide coalition of grassroots groups, which led to the establishment of a permanent public advisory council on nuclear issues composed of NGO and government representatives.

National Press Institute (Moscow)

Pioneered efforts to educate Russian journalists and promote coverage of nuclear security issues throughout Russia.

Thomas Neff (Medford, MA)

Proposed and kept on track an historic agreement for the U.S. to purchase highly-enriched uranium from the former Soviet weapons stockpile.

PIR Center (Moscow)

Launched with funding from Ploughshares, the Center is recognized as the premier non-governmental source of high-level analysis on nuclear weapons issues, with unique access to Duma members and other policymakers.

Russian-American Nuclear Security

Advisory Council (Princeton, NJ) A 1997 Ploughshares Fund grant helped to establish one of the most influential organizations working to promote U.S.-Russian cooperative threat reduction initiatives.

Russian Weapons Scientists Program

A Ploughshares Fund initiative launched shortly after the fall of the Soviet Union in response to concern about a "brain drain" from the Russian nuclear weapons complex. Grants were given to scientists to support research on plutonium disposal, nuclear waste cleanup and nuclear weapons dismantlement.

LETTER FROM THE EXECUTIVE DIRECTOR

Last month in New York, the international community came together, as it does every five years, to assess the status and outlook for one of the world's most important global agreements – the Nuclear Non-Proliferation Treaty (NPT). The last Review Conference, in 2000, had made significant progress toward the goals of the treaty, including a final document, agreed upon by all 187 parties, that committed the nuclear weapons states to a set of thirteen practical steps to reduce the nuclear danger. The steps included, among other things, ratifying the Comprehensive Test Ban Treaty (CTBT) and finalizing a fissile material cutoff treaty.

But in the intervening five years, the NPT has taken severe blows – from North Korea, Iran, sub-national terrorist groups and the nuclear weapon states themselves – and as the treaty delegates arrived in New York last month, there was widespread agreement that the NPT was facing a dual crisis of compliance and confidence.

Despite the high stakes, delegates could not reach agreement on any of the important issues of nuclear non-proliferation and disarmament, and the conference ended in failure. Ploughshares Fund grantee **Bill Potter** of the Monterey Institute for International Studies, called the conference an "ill-conceived amalgam of farce and tragedy performed with little direction by an uninspired cast and with an all too predictable ending." There is no question that we are deeply disappointed by the outcome.

At the same time, we recognize that notwithstanding the powerful and obstructionist roles of a handful of countries, there was widespread agreement on a range of issues that would strengthen the global nuclear non-proliferation regime. And, importantly, Ploughshares Fund grantees worked individ-

ually and in collaboration to lay the groundwork for proposals and initiatives to be taken forward in other venues. One notable collaboration between the Carnegie Endowment for International Peace and the Arms Control Association produced a forward-looking statement signed by over twenty leaders—both Republican and Democrat, including former secretaries of defense and state— that outlined specific, additional steps to strengthen the treaty. The statement, in turn, led to bi-partisan resolutions introduced in both the U.S. House and Senate.

Ploughshares Fund grantees have been working on many fronts, as you will read in this newsletter. While some were hustling the hallways of the UN, others were pounding the pavement on Capitol Hill, urging cuts in funding for the Robust Nuclear Earth Penetrator, or "bunker buster". We have achieved successes these past months, and these are mentioned in the following pages. And we cannot let the dismal outcome of the NPT dampen our resolve. As grantee **Rebecca Johnson** stated from her birds-eye view at the UN, "The world's mayors and governors, together with elected representatives at all levels, and civil society must not only make up for the deficiencies of timid or corrupt governments, they must create a strategic partnership between government and civil society. Preventing the use, testing, development and spread of nuclear weapons ranks with climate change among the major security challenges of our time. We'd better prove ourselves to be up to it!" Ploughshares Fund grantees are at the ready.

With determination,



Post-Election Pain Leads to Dr. Bradus' Stock Gift



After the November 2004 election, San Francisco radiologist Richard Bradus was caught between disap-

pointment and determination. "I could not believe we had re-elected a President who had gotten us into a war based on deception," he said.

He channeled his post-election dismay into an additional gift to Ploughshares on top of his long-term plan of support.

There were some bumps along the road. His first impulse was to give Ploughshares an inherited IRA account. He quickly found out if he transferred the IRA to Ploughshares during life he would have to pay income tax on the entire amount.

He decided on a more tax-friendly plan: a gift of appreciated stock. His tax deduction is based on the stock's fair market value at time of transfer, and he avoids the capital gains tax he would otherwise pay.

He developed his long-term strategy for Ploughshares last year by making the Fund the ultimate beneficiary of one of his own retirement accounts. A uniquely tax-wise giving strategy (see below right), his retirement plan bequest supports the kind of lasting policy change he wants to see.

A member of Physicians for Social Responsibility, Bradus wants terrorism and nuclear proliferation addressed in ways that "make a difference on the ground."

"I thought there must be something I could do to support an organization that can find out what's going on, tell the truth about it and work with the affected parties," he said. After President Bush's re-election, he wanted even more "to support people and organizations that have shown results."

Since the breakup of the Soviet Union, he's been concerned about the increased risk of nuclear proliferation. He is also troubled by the war in Iraq and the Bush Administration's attitude toward North Korea.

A Ploughshares Fund supporter and avid reader of our newsletter, he was impressed by the Fund's support of "people having a direct impact and providing information and real world expertise to policymakers." Of his post-election gift of stock to Ploughshares Fund he said:

"The main thing was I wanted to do something. You've got to start somewhere."

Ploughshares Fund is pleased to enroll Richard Bradus, M.D., as a member of its Nuclear-Free Legacy Society, which honors those who have included the Fund in their estate plan. For information on the Legacy Society, call Coretta Anderson at (415) 775-2244.



Grantee Oleg Bodrov and Executive Director Naila Bolus (second and third from left) at the radioactive waste storage facility at Sosnovy Bor, St. Petersburg, Russia.

tion of nuclear weapons and materials. "We are determined to help build an indigenous community of nuclear weapons experts and grassroots organizations with the political and media savvy needed to impact nuclear policies in their own country," says Ploughshares Fund Executive Director **Naila Bolus**.

"But if it's difficult to assess progress on an issue here at home—and it is," she continues, "it's ten times harder to judge what kind of impact our grants are having in Russia." Last summer, Ploughshares asked **Anya Vodopyanov**, an independent scholar educated in Russia, Western Europe and the U.S., to analyze past and current grants, and provide a candid assessment of the effects our funding has had.

The quickest route to nuclear terrorism, most experts agree, goes right through the former Soviet Union.

After interviewing former and current grantees, scientists, journalists, government officials and other experts in Russia and the U.S., Vodopyanov argued strongly for continued funding in this arena, demonstrating that in case after case, Ploughshares Fund grants have had a measurable impact. (See front page) Moreover, she found that:

- Civil society is the only sector in Russia pushing for positive improvements in nuclear safety and security;

Why IRA Gifts are Easier on Your Heirs

A man died a few years ago leaving an estate of \$600,000. He had no estate tax to worry about and gave \$300,000 to charity. He still cost his heirs about \$60,000 in taxes. Here's why.

The man's estate was divided between a \$300,000 home and a \$300,000 IRA. He left his home to charity and his IRA to his relatives, exactly the opposite of what he should have done.

Income tax was due on the \$300,000 IRA and the relatives had to pay it. If he had left his IRA to charity and his home to his relatives, both the charity and his relatives could have escaped taxes.

The lesson for people who want to leave a gift to Ploughshares Fund through their estate and have IRAs is clear: leave IRA principal to Ploughshares and give heirs assets they don't have to pay tax on.

IRA planning requires professional counsel. For an article on the tax pitfalls of retirement plans, call Coretta Anderson at Ploughshares (415)-775-2244.

- Foreign philanthropic investment in Russia has all but dried up, and there are few, if any, domestic sources to compensate for the loss, particularly on nuclear issues. Ploughshares Fund support is critical.

In his new report, *Securing the Bomb 2005: The New Global Imperatives*, Ploughshares Fund grantee **Matthew Bunn** of Harvard University calls for sustained political leadership from Russia, the U.S. and countries around the world to "lock down the world's nuclear stockpiles before terrorists and thieves can get to them." As Ploughshares continues to demonstrate, the leadership provided by non-governmental experts and organized citizens' groups is absolutely essential to that process. Says Bunn, "If we can keep nuclear bombs and potential nuclear bomb materials out of terrorist hands, we can prevent nuclear terrorism."

New Board Chair Dives In

For **Roger Hale**, a visit to the Ploughshares Fund would not be complete without an early morning swim in the chilly waters of San Francisco Bay. Thus, no one was surprised when he jumped into his new role as chairman of Ploughshares' Board of Directors with both feet. "This is an exiting time for Ploughshares," Hale told members of the board at his first official meeting as chair in June. "I see evidence repeatedly of the enormous credibility Ploughshares Fund enjoys in the peace and security field, which inspires all of us to set our sights higher." He reflected on what compelled him to join Ploughshares Fund's board more than a decade ago. "For years I had been involved in nuclear weapons issues through an organization called Business Executives for National Security. When I met **Sally Lilienthal**, I was immediately struck by her vision and especially by her commitment to sticking with the job of building a world free from the threat of nuclear weapons for as long as it takes." He reminded his colleagues of some of the critical social movements of the past—abolishing slavery is a prime example—that prevailed, but only after fifty years or more of hard, dedicated work.

"If there's anything that frustrates me about Ploughshares, it is seeing the worthy proposals that are turned down in each grant cycle, simply because of lack of funds." He promised to work closely with the staff and board to remedy that situation.

Hale, 70, retired from the Minneapolis-based Tennant Corporation in 1999 after 38 years, 23 of them as Chairman and CEO. Retirement, however, did not mean more leisure hours for Hale, but rather more hours and more energy to devote to the causes and organizations closest to his heart, including the Boards of Directors of Public Radio International, Minneapolis' Walker Art Museum, and, of course, the Ploughshares Fund. He has left his mark on each organization he has served by strengthening its focus on its core mission and on the path to results.

And is Ploughshares Fund on the right path? "Absolutely. Ploughshares is approaching its twenty-fifth anniversary with a staff of seasoned professionals, augmented with new staff and new board members who are bringing fresh energy to the organization. Under **Naila Bolus**' leadership, Ploughshares has been instrumental in increasing the collaboration and cooperation in the peace and security community, which has already led to some impressive achievements. And just as Sally envisioned, Ploughshares is positioned to stay with the task at hand for the long haul."



INVESTING IN PEACE AND SECURITY WORLDWIDE: Return on Investment

With goals as far-reaching as preventing the spread and use of weapons of mass destruction, we at the Ploughshares Fund often measure our progress in small but critically important increments. From our grantees all over the world come the following reports of success:



Canada Says No to Missile Defense

With a Ploughshares Fund discretionary grant in January, Canada's **Polaris Institute** (www.polarisinstitute.org) launched a short-term public education campaign aimed at opposing the potential partnership between Canada and the United States on the ballistic missile defense program. The campaign capitalized on declining

public support for missile defenses, and strong resistance in Canada to the weaponization of space—which Canadians link closely to U.S. missile defense programs. The following month, Canada announced that it was opting out of any formal or financial partnership with the U.S. missile defense program.

Funds Restored to Destroy Chemical Weapons

The **Chemical Weapons Working Group** (www.cwwg.org), a nationwide network of citizens' groups situated near chemical weapons sites and destruction facilities, went into action with Ploughshares Fund support to restore funding for the chemical weapons destruction program in the Fiscal Year 2006 defense bill, and to block a dangerous plan to transport stocks of weapons from site to site. Working closely with a bi-partisan group of elected officials, including **Senator Mitch McConnell** (R-KY), **Senator Wayne Allard** (R-CO) and **Representative John Salazar** (D-CO), the Working Group activated its grassroots network and succeeded in restoring funds for the facilities, enabling the United States to

fulfill its treaty obligations under the Chemical Weapons Convention, and ensure public safety.

Plutonium Experiments Stopped

Jay Coghlan, executive director of **Nuclear Watch New Mexico** (www.nukewatch.org), became alarmed when he learned of serious safety lapses at the very facility at Los Alamos National Laboratory where criticality experiments—experiments on plutonium and highly enriched uranium that generate nuclear chain reactions—are conducted. Coghlan mobilized hundreds of his fellow New Mexicans, including **Governor Bill Richardson**, to voice their concerns. The Department of Energy paid attention. It recently announced plans to stop all criticality work at the facility.

Setting the Record Straight on Iraq's WMDs

In April, a presidential commission concluded that the U.S. intelligence community was “dead wrong” in its pre-war assessments of Iraq's weapons programs. A prime example cited in the report was the insistence that Iraq's importation of high-strength aluminum tubes proved that it was reconstituting its nuclear weapons program. Physicist **David Albright** of the **Institute for Science and International Security** (www.isis-online.com) was equally insistent—and correct—that the tubes were unsuited for nuclear weapons and proved nothing. An earlier report by the Ploughshares-supported **Carnegie Endowment for International Peace** (www.ceip.org) was the first major indictment of U.S. intelligence leading up to the war in Iraq to call for an independent commission to examine intelligence failures. The Iraqi weapons debacle underscores the need for independent voices like these and the resources to support them that the Ploughshares Fund provides.

Read about our grantees' achievements as they occur by visiting our website (www.ploughshares.org) and signing up for our email updates.



The Ploughshares Fund seeks to prevent the spread and use of nuclear, chemical, biological and other weapons of war, and to prevent conflicts that could lead to the use of weapons of mass destruction. Pooling funds contributed by approximately 2,000 individuals nationwide, Ploughshares makes grants to the organizations and individuals that show the greatest potential for influencing policy. Since it was founded in 1981, Ploughshares has made grants totaling over forty million dollars.



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PLOUGHSHARES NOTES



Courtesy of the Institute for Advanced Study

George Kennan, Renowned Diplomat and Ploughshares Fund's First Advisor, Dies at Age 101

George Kennan, who died on March 17th, 2005, was a towering figure in the history of the twentieth century, and was also a key player in the early development of the Ploughshares Fund. Kennan is best known as the author of the doctrine of containment, which shaped U.S. policy toward the Soviet Union for nearly a half century, and as the chief architect of the Marshall Plan. **Sally Lilienthal** remembers first meeting Kennan in the early 1980s: "Having just started Ploughshares, I was continually seeking the advice of leaders in the philanthropic and arms control communities about how best to proceed. Many people told me that I should begin by putting together an advisory board of well known, influential individuals. When I suggested George Kennan, I remember being laughed at . . . the very idea of the great man meeting with an unknown woman who wanted to get rid of nuclear weapons! But I took a

deep breath and telephoned him to ask for an appointment. The next day, he was waiting at the station to meet my train in Princeton. We talked for hours about my plans for Ploughshares, and he accepted enthusiastically when I asked him to become the inaugural member of our advisory board. After that he was always available when I called him for advice."

Lee Hamilton to Headline Ploughshares Council Briefing

Former Congressman **Lee Hamilton** (D-IN) will be the featured speaker at Ploughshares Fund's annual Washington, DC briefing on October 18th at the offices of the U.S. Senate. Hamilton served in the House of Representatives for 34 years and co-chaired the National Commission on Terrorist Attacks Upon the United States, better known as the 9/11 Commission. He will be joined by leaders from Congress, the military, think tanks and the media in the day-long event, which will address the challenges and strategies for reducing the threats posed by nuclear, biological and chemical weapons. Ploughshares organizes the briefing every year for the benefit of members of the Ploughshares Council who provide leadership and sustained support to Ploughshares through their annual gifts of \$5,000 or more. For more information, please contact Coretta Anderson at (415) 775-2244 or at canderson@ploughshares.org.

Peace and Security Initiative Update

On June 13, 2005 over 100 members of the peace and security community gathered in Washington, DC for a day of capacity building and strategy discussions, convened by the Peace and Security Initiative (PSI). Launched by the Ploughshares Fund two years ago (with additional funding from the Ford Foundation and the Connect US Fund) the PSI is designed to increase the ability of the community as a whole to influence U.S. policy to promote a more secure, peaceful and just world. Attendees participated in training sessions on communications and technology, and in strategic conversations about how best to move forward collaboratively on the community's selected priority issues, which include preventing the development of new nuclear weapons by the U.S., and locking down and safeguarding bomb-making materials worldwide. A highlight of the meeting was hearing from key members of the Jubilee 2000 movement on the heels of their successful campaign to compel the world's richest nations to cancel the debts of the world's poorest countries. In a case study of successful collaboration, they addressed challenges—building bi-partisan support, for example—and pointed to solutions and strategies applicable to the peace and security community. "Clearly, by working appropriately together across the community we can achieve real wins to ensure a safer world for all of us," said **Deepti Choubey**, PSI's director.

Ploughshares Fund Welcomes New Staff

Ploughshares Fund is pleased to announce the appointment of **Dick Bunce** as its first deputy director. Media enthusiasts may know Dick through his past work at Pacifica Radio and *Mother Jones* magazine, but anyone who has strolled along the beach at San Francisco's Crissy Field or heard about the transformation of that former military airstrip in the Presidio into a magnificent urban park and wildlife refuge has Dick to thank for managing the capital campaign that made it all happen. Dick comes to Ploughshares from his most recent position as director of marketing and development at the Golden Gate National Parks Conservancy, which works to enhance the Golden Gate National Parks. Also joining the staff is Development Associate **Coretta Anderson**, who brings years of experience as a development analyst at the University of California, San Francisco. Please join us in welcoming Dick and Coretta to the Ploughshares Fund family.



Ploughshares Fund Deputy Director Dick Bunce and Development Associate Coretta Anderson.

Lorely Bunnan

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"If we can keep nuclear bombs and potential nuclear bomb materials out of terrorist hands, we can prevent nuclear terrorism."

— Matthew Bunn

Project on Managing the Atom

