In a hyper-partisan climate, we’re shaping a new non-partisan conversation about security in the 21st century.
At the age of 62, Sally Lilienthal began a quest to change the world. Her vision of a world free of nuclear weapons has inspired and guided us. Over the past thirty years, Ploughshares Fund has realized remarkable victories. Our investments have helped move the world beyond chemical weapons and landmines, proved the feasibility of a nuclear test ban, and defeated plans for some of the world’s worst weapons of war.

And we are still going. The past few years have seen great progress toward our ultimate goal. Working together with an impressive community of grantees, partner foundations, military leaders, political experts and senior statesmen, we have grown a new, bipartisan consensus that sees nuclear weapons as liabilities, not assets. We have created solutions and dialogue where none existed. And, we have pushed forward policies that are steadily whittling down the world’s nuclear arsenals.

We are proud of these successes. But we are not finished yet. From the ratification of the New START treaty to the new debate over nuclear budgets, we are taking advantage of every opportunity, expanding our influence, improving our analysis, and growing our audiences. In a gridlocked political system, in a time of major foreign policy upheaval, in a world that has grown increasingly unpredictable: we are breaking through.
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LETTER FROM THE CHAIRMAN

ROGER L. HALE

Thirty years ago, Sally Lilienthal gathered some friends in her San Francisco living room and told them of her vision to rid the world of nuclear weapons.

At that moment, the United States and the Soviet Union, having spent the previous 35 years building these horrifying weapons, had combined arsenals of close to 55,000. Most had many times the destructive power of the bombs that incinerated Hiroshima and Nagasaki in 1945. Sally’s friends admired her vision and believed they could perhaps raise as much as $250,000 to grant to the best and brightest experts working in the arms control field.

Fast forward thirty years: Ploughshares Fund is now the largest organization in the field dedicated exclusively to controlling and eliminating nuclear weapons. We have raised and given out over $78,000,000. Since the arrival of Joe Cirincione and the establishment of a Washington office, we have become a convener, a coordinator and a communicator within the arms control and peace and security communities. Our efforts to bring these dedicated, but occasionally disparate, communities together to focus on a common objective paid off dramatically in 2010 with the Senate ratification of New START. Many players were involved, but Ploughshares Fund was at the epicenter of the effort, receiving high praise from many policy and political leaders. The victory accomplished one of our key objectives: to get a truly bipartisan vote despite the bitter, divisive atmosphere in Washington. The final count to ratify on the last day of the lame duck session in December was 58 Democrats, 13 Republicans. With the help of our loyal and generous supporters, we now have the momentum necessary to move the nuclear abolition agenda to far greater heights.

This letter would be remiss if we did not acknowledge the extraordinary work and talent of Naila Bolus, executive director of Ploughshares Fund for the past fourteen years. Naila has moved on to be CEO of Jumpstart, a large early learning organization based in Boston. Her departure would have left us in a permanent state of shock and denial were we not able to find her successor in Philip Yun, a long-time member of our board. He brings a strong knowledge of both the policy and political realities of the nonproliferation field and will be a fine complement and partner to our president, Joe Cirincione.

As we look back on our thirty-year history, we hope that you are proud of our accomplishments and are as determined as we are to be relentless in our efforts to abolish nuclear weapons. We could not have come this far without the support of our contributors. We thank each and every one of you for your dedication and generosity.

Sincerely,

Roger L. Hale

ROGER L. HALE, Chairman
We are stronger than ever. As you will read in this report, Ploughshares Fund is energized with new leaders, new grantees, new partners and new ideas. The boldness and nimbleness you expect from Ploughshares Fund have allowed us to exploit new opportunities to end the threat of nuclear weapons.

We learned a great deal from the remarkable, down-to-the-wire New START victory. As we mobilized over fifty organizations in that campaign, we developed a new model that combines strategic grantmaking with our own leadership to maximize the impact of every dollar donated. Naila Bolus, our multi-talented leader for many years, christened it impact philanthropy. We are now adopting this model to spearhead three major multi-year campaigns begun with the grants detailed in this report.

Each campaign is different. Each has its own dynamic, strategy and pace. But all are aimed at our ultimate strategic goal: to steadily reduce and eliminate the threat of nuclear weapons, the only weapons that can destroy our nation and all human life on earth. We are determined to push for deep reductions in global nuclear arsenals; to prevent a new war with Iran and to forge a diplomatic end to the threat from that nation’s nuclear program; and, to cut dramatically the $700 billion the government plans to spend on nuclear weapons and related programs over the next ten years.

We believe this last campaign holds particular promise. Just as the politics of the presidential race is closing our policy window, the fiscal crisis is opening another one. Government budgets, including military budgets, are coming down. We are witnessing what may be a sustained military “build-down”, after the doubling of the defense budget over the past decade.

When military and political leaders are forced to choose, they are likely to opt to preserve vital defense assets over nuclear programs of little utility. As the just-retired vice chairman of the Joint Chiefs of Staff, General James Cartwright, recently told a Global Zero summit, when the service chiefs “are given a choice where they spend their money, they don’t spend it on the strategic [nuclear] forces.”

We are poised and ready to achieve even greater successes. Particularly, I’m pleased to welcome Philip Yun as our new executive director and chief operating officer. With a background in law, business, government and policy, he is the perfect person to help me lead these new endeavors.

From the Golden Gate to the Washington Monument, we are confident, energized and committed to ensuring that every dollar donated is money well spent.

Thank you very much. Your support makes our success possible.

JOSEPH CIRINCIONE, President
With years of experience and real-world expertise, the Ploughshares Fund Board of Directors works to shape the vision that has made Ploughshares Fund a leader in the peace and security field.

**Remarkable Experience**

Nine are published authors. Of their nineteen books, one was hailed by the New York Times as one of the top eleven books of the year; two have been translated into multiple languages and several have been used as textbooks.

Six have founded one or more companies in fields including philanthropy, architecture, software, communications, film and investment management. Four have served as CEOs.

Two have held positions in the United Nations.

Five hold PhDs, and six have served as educators at the high school or university level. Two PhDs are in fields directly related to nuclear proliferation.

Five are members of the Council on Foreign Relations.

Three hold positions in other foundations.
Two have been elected as members of Congress—one as a Republican Senator and one as a Democratic Congressman.

One was the highest ranking former military officer ever to serve in the U.S. Congress.

One has won two Oscars.

Three were born outside of the United States—one in Iran and two in the United Kingdom.

Three served in the U.S. military in conflicts including Vietnam, Iraq and Afghanistan. One has two Purple Hearts and one also served on the National Security Council.

Two have served as political appointees in the Department of State. As a political appointee in the Department of Defense, one earned the Secretary of Defense Medal for Outstanding Public Service.
When partisan politics threatened to block Senate approval of the New START treaty, we were inspired to think about our work in new and creative ways. Ploughshares Fund has always supported the smartest people with the best ideas. But until the New START treaty, we’d never worked so effectively to bring them together into a cohesive campaign, one that leveraged the impact of our grantees for a policy victory that they could not have reached on their own. It is a new model of operating for Ploughshares Fund. We call it impact philanthropy.

**STRATEGY:** We quickly realized we had to build political support if New START was to succeed. We identified whom we needed to win the debate: respected military leaders making the national security case for nuclear reductions, editorial boards endorsing the agreement, and passionate constituents in states with swing Senate votes. We focused our grants and staff on mobilizing these critical groups.

**NETWORK:** We encouraged core grantees, including the Arms Control Association, Council for a Livable World and Physicians for Social Responsibility, to make New START central to their work, and we recruited fresh faces that brought new skills and capacity to the coalition. We partnered with the American Security Project to create a new initiative, the Consensus for American Security, to organize former flag officers and national security experts. The American Values Network mobilized evangelicals in support of the treaty and waged an imaginative ad campaign. By the time of the Senate vote, we had forged more than fifty organizations into a bipartisan, national campaign.

**LEADERSHIP:** Throughout the New START debate, we convened grand strategy meetings to build support for our approach. We also organized weekly strategy calls and daily “war room” messaging calls. Because we were intimately involved, we were able to quickly deploy additional resources when necessary. We stepped in and created START News, a twice-weekly compilation of the best stories and analysis on the treaty sent to hundreds of congressional offices. We moved money into the field to pay for grassroots call centers and full-page ads in Politico. Finally, our staff was on the Hill nearly every day, meeting, planning and pushing.

In the end, 71 Senators—including thirteen Republicans—voted in favor of New START. It was a groundbreaking victory for American security.
It’s worth noting that these outcomes are neither assured nor common. Of particular note was the leadership shown by Ploughshares in bringing people together and providing a common framework for action including a regular process for updating work, identifying areas that needed attention and creating informal working groups.”

Rethink Media analysis of the New START campaign, January 2011
“Ploughshares emphasizes teamwork and results—an extremely effective model that I hope others will copy.”
ALLIANCE FOR NUCLEAR ACCOUNTABILITY, SANTA FE, NM
For its work to limit the expansion and construction of new facilities that exceed the needs for maintaining a safe and reliable nuclear stockpile. $60,000

AMERICAN ENSEMBLE THEATER, BETHESDA, MD
To support a special performance of *Walk in the Woods* to educate Hill staff about arms control issues. $1,055

AMERICAN FORUM, WASHINGTON, DC
To support efforts to place pro-New START op-eds in media outlets. $24,800

AMERICAN SECURITY PROJECT, WASHINGTON, DC
To support efforts to ratify New START by garnering timely and enhanced media coverage of credible validators before the Senate Foreign Relations Committee vote on the treaty. $44,200

AMERICAN SECURITY PROJECT, WASHINGTON, DC
To expand the bipartisan consensus on nuclear security and broaden support for the nuclear security agenda on Capitol Hill and in the press. $150,000

AMERICAN VALUES NETWORK, WASHINGTON, DC
To support mobilization of strong networks of influencers and grassroots activists to build awareness and support among key political leaders for reductions in U.S. nuclear security spending. $20,000

AMERICAN VALUES NETWORK, WASHINGTON, DC
To engage a substantial network of evangelical and Catholic voters in targeted states through a radio and email campaign in support of New START. $75,000

ARMS CONTROL ASSOCIATION, WASHINGTON, DC
For a series of Capitol Hill briefings aimed at countering congressional impatience with U.S.-Iran diplomacy and calls for military action. $75,000

ARMS CONTROL ASSOCIATION, WASHINGTON, DC
For activities that support reductions in the role and number of U.S. nuclear weapons and that influence U.S. nonproliferation policy. $275,000

ASIA SOCIETY, NEW YORK, NY
For a U.S.-Iran Track Two effort to develop joint recommendations for a diplomatic strategy in Afghanistan in order to build confidence and create openings to resolve the Iranian nuclear impasse. $60,000

ATLANTIC COUNCIL OF THE UNITED STATES, WASHINGTON, DC
To support the production of a set of politically and technically sound recommendations for resolving water disputes in South Asia. $75,000

ATLANTIC COUNCIL OF THE UNITED STATES, WASHINGTON, DC
To support the second phase of the bipartisan Iran Task Force aimed at generating analysis and outreach for improved U.S.-Iran relations. $100,000

BLUE VEINS, PESHAWAR, PAKISTAN
To educate and mobilize prayer leaders (imams) in grassroots organizing and conflict transformation strategies. $15,000

BRITISH AMERICAN SECURITY INFORMATION COUNCIL, WASHINGTON, DC
To support the establishment and operations of a high-level Trident Commission and activities in partnership with the European Leadership Network on NATO-Russia nuclear security issues. $160,000

BROOKINGS INSTITUTION, WASHINGTON, DC
To support the Arms Control Initiative, particularly the development and dissemination of analyses and policy recommendations on the range of issues central to U.S.-Russian arms control. $175,000

CENTER FOR AMERICAN PROGRESS, WASHINGTON, DC
For an expanded initiative on Iran, including hiring two researchers, aimed at countering support for military action. $200,000

CENTER FOR ARMS CONTROL AND NONPROLIFERATION, WASHINGTON, DC
To support efforts to educate the public and members of Congress on a range of nonproliferation issues, as well as continued tracking of the budget and legislation related to these issues. $50,000

CENTER FOR INTERNATIONAL POLICY, NEW YORK, NY
To support investigations and media work to highlight the connections among private sector interests, elected officials and unnecessary nuclear security programs in order to build support for cuts to federal nuclear weapons spending. $50,000

CENTER FOR INTERNATIONAL SECURITY AND COOPERATION, STANFORD, CA
To support the Korea Policy Working Group to influence U.S. policy on North Korea and engage in Track Two activities. $80,000

Ploughshares Fund board member David Holloway and Philip Yun (board member 2010-2011) are affiliated with this organization. Please see Conflict of Interest Policy, page 29.

As executive director of the American Values Network, Eric Sapp is the brains behind some of the nation’s most creative outreach campaigns. Drawing from his background in both public policy and ministry, Sapp spearheads efforts to connect faith and security voters with progressive cause campaigns. During the New START effort, American Values Network revamped Lyndon Johnson's Daisy Ad to successfully make the case for the treaty’s passage. The campaign was named the best issue campaign of the year by the American Association of Political Consultants.
GRANTS LIST
2010-2011

CENTER FOR INTERNATIONAL SECURITY AND COOPERATION/COMMITTEE OF SCIENTISTS FOR GLOBAL SECURITY AND ARMS CONTROL, STANFORD, CA/MOSCOW, RUSSIA
For a joint project to develop a set of proposals regarding U.S./NATO-Russian cooperation on ballistic missile defense to continue the process of nuclear arms reduction. $110,000

CENTER FOR MEDIA AND SECURITY, LTD., MILLWOOD, NY
For a series of media forums that address a broad array of issues associated with nuclear nonproliferation, including a specific session on Iran. $52,000

CENTER FOR POLICY STUDIES IN RUSSIA, MOSCOW, RUSSIA
To support efforts to improve the U.S.-Russian bilateral strategic relationship through a joint U.S.-Russia expert “watchdog” group. $150,000

CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES, WASHINGTON, DC
To support U.S. policymakers in engaging Indian and Pakistani officials to advance Afghan stability through joint economic investment. $75,000

CENTER FOR THE NATIONAL INTEREST, WASHINGTON, DC
To support a task force of senior officials and military officers engaged in assessing the consequences of approaches to containing Iranian nuclear activities. $100,000

CITIZENS FOR GLOBAL SOLUTIONS, WASHINGTON, DC
To support state-based organizing and outreach in Tennessee and Georgia to advocate for the ratification of New START. $12,500

CONNECT U.S. FUND, WASHINGTON, DC
To support the 2010 community-wide meeting and to support the Connect U.S. Council meeting in New York City. $10,000

COUNCIL FOR A LIVABLE WORLD, WASHINGTON, DC
To support efforts to influence members of Congress on a range of nonproliferation issues, as well as continued tracking of the budget and legislation related to these issues. $50,000

CRISIS GROUP, BRUSSELS, BELGIUM
To support the mitigation of conflict in Pakistan and Afghanistan through up-to-the-minute crisis reporting and advocacy. $75,000

FEDERATION OF AMERICAN SCIENTISTS, WASHINGTON, DC
To develop and promote technical proposals aimed at providing stronger safeguards for Iran’s nuclear program. $30,000

FEDERATION OF AMERICAN SCIENTISTS, WASHINGTON, DC
For efforts to provide objective, reliable scientific and technical data and analyses that support an informed debate on ballistic missile defense, nuclear force modernization and dismantlement rates of U.S. warheads. $150,000

FEDERATION OF AMERICAN SCIENTISTS/NUCLEAR WATCH OF NEW MEXICO/STIMSON CENTER, WASHINGTON, DC/SANTA FE, NM
For rapid analysis of nuclear weapons budgets and recommendations for policy advocacy to reduce them. $6,000

FOUNDATION FOR A CIVIL SOCIETY, NEW YORK, NY
To support the Iran Project’s work to produce credible recommendations on diplomatic solutions to the nuclear impasse with Iran and to shape the debate among policymakers. $50,000

FOUNDATION FOR NATIONAL PROGRESS, SAN FRANCISCO, CA
To support a dedicated investigative reporter to research and produce stories on the political context of U.S. nuclear weapons programs and expenditures. $15,000

FRIENDS COMMITTEE ON NATIONAL LEGISLATION, WASHINGTON, DC
For congressional education and lobbying on a range of nuclear security issues, including ratification of CTBT and increased funding for nuclear nonproliferation. $100,000

FRIENDS COMMITTEE ON NATIONAL LEGISLATION, WASHINGTON, DC
To support continued coordination of a network of state-based organizers advocating for New START. $30,000

GEORGIA WAND, ATLANTA, GA
To support efforts to engage with Georgia’s congressional delegation to build awareness of and advocate for reductions in nuclear programs, and to cultivate early support for the Comprehensive Test Ban Treaty. $40,000

GEORGIA WAND, ATLANTA, GA
To support a New START campaign in Georgia before the Senate Foreign Relations Committee vote on the treaty. $5,000

GLOBAL SECURITY INSTITUTE, NEW YORK, NY
To support the Bipartisan Security Group’s legislative efforts to promote progress on disarmament and nonproliferation. $50,000

GULF 2000 PROJECT, COLUMBIA UNIVERSITY, NEW YORK, NY
To inform the debate over Iran’s nuclear program in the media and among policymakers by assessing and reporting on events, generating viable solutions and refuting false stories. $75,000

HEAL UTAH, SALT LAKE CITY, UT
To conduct outreach and education to key audiences in Utah to build early and sustained support for ratification of CTBT. $50,000

HERBERT SCOVILLE JR. PEACE FELLOWSHIP, WASHINGTON, DC
To place four Scoville Peace Fellows in Ploughshares Fund grantee organizations. $60,000
INSTITUTE FOR SCIENCE AND INTERNATIONAL SECURITY, WASHINGTON, DC
To support ongoing research and analysis of proliferation developments, with an emphasis on Iran and North Korea, and to develop policy proposals that limit nuclear proliferation. $100,000

INTERNEWS, ARCATA, CA
For Pul-e-Jawan, a new media initiative aimed at disseminating youth views on common challenges and aspirations in Afghanistan, Pakistan and India. $45,334

IPPNW SWITZERLAND, BASEL, SWITZERLAND
To support the 2010 World Congress in Basel, Switzerland aimed at delivering media coverage and providing evidence of Swiss and other national leaders’ engagement with the goal of a nuclear weapon-free world. $10,000

VENANCE JOURNE, PARIS, FRANCE
To provide support for Hans Blix to participate in a conference that promoted the WMD Commission report and its findings. $1,200

LBLG FUND, WASHINGTON, DC
To support monitoring, analysis and publishing related to U.S. policy toward Iran and a critique of arguments favoring confrontation with Iran. $19,000

LINK MEDIA, INC., SAN FRANCISCO, CA
For the Iran Media Project, an enhanced social media and broadcast engagement campaign to amplify the activities of advocacy groups, bloggers and experts working to reduce confrontation with Iran. $80,000

KATHERINE MAGRAW, CHARLOTTESVILLE, VA
For the Peace and Security Funders Group, a forum to increase communication and cooperation among foundations making grants in the peace and security field and to encourage new funders to participate. Supported by grants from participating foundations, Ploughshares Fund provides fiscal and administrative oversight of the Group. $148,860

IN THE MEDIA: Naila Bolus in the Chronicle of Philanthropy: “A Policy Victory Offers a Blueprint for Grant Makers and Advocacy.” Read the full text at ploughshares.org/impact-philanthropy

MAINSTREAM MEDIA PROJECT, ARCATA, CA
To support efforts to place experts on a range of radio shows with the goal of promoting diplomatic solutions to reducing tension with Iran and countering Iran’s development of nuclear weapons. $80,000

MASSACHUSETTS INSTITUTE OF TECHNOLOGY/SECURITY STUDIES PROGRAM, CAMBRIDGE, MA
To support analysis, media work and policymaker outreach on North Korea’s nuclear program, the leadership transition in the North and U.S. policy options. $75,000

MASSACHUSETTS INSTITUTE OF TECHNOLOGY/DEFENSE AND ARMS CONTROL STUDIES PROGRAM, CAMBRIDGE, MA
To support a fact-finding trip to India and Pakistan to provide a framework and direction for a Track Two energy dialogue. $5,000

MONTEREY INSTITUTE OF INTERNATIONAL STUDIES, MONTEREY, CA
To support the inaugural conference of the International Network of Emerging Nuclear Scientists $1,500

MONTEREY INSTITUTE OF INTERNATIONAL STUDIES, MONTEREY, CA
To support a project to unblock resistance to further arms control negotiations between the U.S. and Russia, and debunk arguments that the U.S. should not ratify CTBT because of inadequate detection capabilities, specifically in Iran. $150,000

S. H. MOUSAVIAN, PROGRAM ON SCIENCE AND GLOBAL SECURITY, PRINCETON UNIVERSITY, PRINCETON, NJ
To support expert analysis and policy guidance related to U.S. policy and Iran’s nuclear program. $15,000

NATION INSTITUTE, NEW YORK, NY
To support Jonathan Schell’s writing and speaking on the nuclear weapons threat as a Nation Institute Peace Fellow. $15,000

NATIONAL COMMITTEE ON NORTH KOREA, WASHINGTON, DC
To support expert dialogue and information exchange, and policymaker and media outreach that builds a strong constituency for diplomatic engagement as a preferred policy course for dealing with North Korea. $65,000

Ploughshares Fund board member Philip Yun (2010-2011) is affiliated with this organization. Please see Conflict of Interest Policy, page 29.

NATIONAL IRANIAN AMERICAN COUNCIL, WASHINGTON, DC
To support advocacy and media outreach aimed at finding a peaceful solution to the Iranian nuclear dilemma. $25,000

NATIONAL IRANIAN AMERICAN COUNCIL, WASHINGTON, DC
For a renewed effort to use advocacy and educational activities to shape the debate among policymakers and in the media on credible, non-military approaches to resolving the nuclear impasse with Iran. $100,000
It takes imagination to avoid a war. Luckily, imagination is a quality that our grantees have in abundance. The kind of imagination that sees ways to deter Iran’s nuclear program without resorting to military strikes.

That imaginative path forward is difficult to find in Washington, DC. Instead, the hard line posturing of the Iranian regime is met by hard line posturing of our own. A hawkish fringe, led by many of the same figures who urged war in Iraq, portrays the U.S. policy choices in black and white: send in the troops or accept a nuclear Iran. Those calls are echoed in the media and on Capitol Hill, gaining influence with every repetition.

It is a false choice. Top experts agree that reports of the threat posed by Iran’s nuclear program have been overstated. And, they argue, military strikes on Iran would be counterproductive and costly, likely leading to the acceleration, not the elimination of Iran’s quest for the bomb.

Using our model of impact philanthropy, Ploughshares Fund has built a coordinated campaign to inject the voices of reason back into the debate. Grantees like National Iranian American Council (NIAC) and the Atlantic Council are providing government officials from all parties with in-depth, expert analysis interpreting the confusing reports of Iran’s nuclear progress, capabilities and political strategies. PRI’s The World, National Public Radio, the Center for American Progress and LinkTV are producing objective and balanced portrayals of Iran’s regime, countering false rhetoric. And the Asia Society and the Stimson Center are serving as imagination factories: exploring innovative ways to build trust and avenues of communication between two nations without formal diplomatic relations on an issue of concern to both: Afghanistan.

Our efforts are creating new choices, grounded in some of the world’s best research and expertise. It is a new path forward, a path that upholds the international rule of law while creating space for both Iran and the U.S. to pursue peaceful and diplomatic alternatives.
FIGHTING BACK

Through a coordinated media campaign, our grantees are pushing back on the media narrative that portrays war with Iran as the only possible solution to Iran’s nuclear program.
“Support from Ploughshares Fund has enabled me to analyze Iran—without hysteria or naïveté—to influence the Washington debate.”
IN THE MEDIA: Joe Cirincione, CNN “US Strategy on Iran is Working.” Read the full text at ploughshares.org/IranCNN

NATIONAL PUBLIC RADIO, WASHINGTON, DC
To support coverage on Iran, U.S. nuclear weapons policy and nonproliferation issues. $150,000

NATIONAL SECURITY INITIATIVE, WASHINGTON, DC
To shape the debate on Iran’s nuclear program in the media and among policymakers. $100,000

NATIONAL SECURITY NETWORK, WASHINGTON, DC
To support a congressional seminar and reception for policymakers and media on Iran. $9,500

NATIONAL SECURITY NETWORK, WASHINGTON, DC
For leadership and active participation in rapid response media outreach and advocacy on nuclear policy. $150,000

NEW EVANGELICAL PARTNERSHIP, OAK RIDGE, TN
To support a gathering of high-level evangelical leaders to mobilize them around nuclear security issues, and in particular, to recruit them to support ratification of New START. $13,000

NUCLEAR WATCH OF NEW MEXICO, SANTA FE, NM
To support analytical work on the U.S. nuclear weapons budget and to provide this analysis to a national network of organizations working to reduce spending on nuclear programs. $70,000

PARTNERSHIP FOR A SECURE AMERICA, WASHINGTON, DC
To support efforts to educate, inform and engage conservative audiences on U.S.-Iran relations and diplomatic solutions to resolve the impasse over Iran’s nuclear program. $65,000

PEACE ACTION, SILVER SPRING, MD
To support the 2011 Peace and Security Legislative Retreat. $15,000

PEACE ACTION EDUCATION FUND, SILVER SPRING, MD
To support efforts to build a more educated, vocal and active cadre of members of Congress, particularly via the Progressive Caucus, who will push for transformative changes in U.S. nuclear policy. $50,000

PEACE ACTION FUND OF NEW YORK STATE, NEW YORK, NY
To support grassroots education and mobilization to encourage New York’s congressional delegation to reduce the national nuclear weapons-related budget. $45,000

PEACE ACTION WEST, OAKLAND, CA
For education and advocacy geared towards influencing western Senators to support a transformative nuclear policy and continue “momentum building” on the nuclear security agenda. $50,000

PEACE ACTION WEST, OAKLAND, CA
To support a focused constituent outreach effort to support New START Senate ratification votes in Tennessee and Wyoming. $15,000

PEACE ACTION WEST, OAKLAND, CA
For a focused constituent outreach effort in Ohio, Florida, Tennessee and Wyoming to gain support for New START ratification before the Senate Foreign Relations Committee vote. $15,000

PEACEMAKERS FUND, SANTA FE, NM
To support an unofficial U.S. delegation to North Korea, led by Governor Bill Richardson of New Mexico, for meetings and discussions regarding security in the region. $7,500

PHYSICIANS FOR SOCIAL RESPONSIBILITY, WASHINGTON, DC
For a campaign to mobilize physicians and concerned citizens to voice their concerns about the health threats posed by nuclear weapons. $125,000

PHYSICIANS FOR SOCIAL RESPONSIBILITY - KANSAS CITY, KANSAS CITY, KS
To support a ballot drive initiative to prevent use of the new Kansas City Plant for weapons components manufacturing and to enforce messages that nuclear weapons are a detriment, not an asset, to national security. $30,000

PRINCETON UNIVERSITY, PRINCETON, NJ
To support research, analysis and policy advocacy on U.S. policy options toward Iran. $50,000

PROJECT ON GOVERNMENT OVERSIGHT, WASHINGTON, DC
To support investigations and media work that reveal wasteful and ill-advised nuclear weapons-related spending and to advocate for stronger government accountability for nuclear programs. $75,000

PUBLIC RADIO INTERNATIONAL, MINNEAPOLIS, MN
To support increased reporting on Pakistan and Afghanistan, and on the nuclear programs of North Korea and Iran, with a special feature focus on Iran and Iranians. $100,000

As the author of a book on relations between the U.S. and Iran and a former diplomatic correspondent for USA Today, Barbara Slavin is one of the most trusted voices in Washington, DC on U.S policy toward Iran. Currently a senior fellow at the Atlantic Council specializing on Iran, Slavin is a powerful voice for alternatives to military action, frequently writing commentary for outlets such as Foreign Policy and Politico.
When one of the most conservative senators in Washington, DC and one of the most progressive congressmen are both speaking out to promote the same idea, you know you have a winner. And winning is just what we plan to do with our new campaign to cut the nuclear weapons budget.

As the national conversation became dominated by budget cutting early this year, Ploughshares Fund and our community recognized an unprecedented opportunity. Each year, the U.S. spends roughly $54 billion on nuclear weapons and related programs. Over the next decade, that number is projected to grow to some $700 billion. It is a massive investment in outdated technology and a level of spending that completely undermines President Obama’s pledge to seek the “peace and security of a world without nuclear weapons.”

Lawmakers are now actively looking for places to make smart cuts to defense spending without risking national security. Ploughshares Fund has launched a campaign bringing together groups from across the political spectrum to highlight the nuclear budget as an area to cut that could provide considerable savings while maintaining our military strength. It is a new conversation, fueled by the post-New START bipartisan security consensus that nuclear weapons are part of our past, not our future.

The idea is gaining momentum. During the debt-ceiling debate, conservative Senator Tom Coburn (R-OK), included $79 billion of nuclear weapons cuts in his deficit reduction proposal. More recently, progressive Representative Ed Markey (D-MA) and 64 additional members of the House called on the congressional super committee charged with reducing the national deficit to find $200 billion in savings by cutting the nuclear weapons budget over the next ten years.

The opportunity to make policy change through budgetary advocacy has never been so strong, and, with a talented coalition of grantees working toward common goals, Ploughshares Fund is poised to seize the moment.
CUTTING THE NUCLEAR BUDGET

For the first time in a decade, defense budgets are on the decline. No longer a military priority, nuclear weapons programs could be among the first to go.

$54 BILLION PER YEAR

The amount the U.S. currently spends on the nuclear budget.

“Further nuclear arms reductions should eliminate weapons we don’t need, while retaining a strong and appropriate deterrent. In the process, we will free up resources to meet 21st century challenges.”

“We’re not going to be able to go forward with weapon systems that cost what weapon systems cost today.”
– General Robert Kehler, Commander, USSTRATCOM, July 26, 2011

$700 BILLION

Estimates project that we will spend $700 billion on nuclear weapons and related programs over the next ten years. Many of these programs are intended to rebuild and expand the nuclear weapons complex.

% OF CURRENT YEAR’S BUDGET THAT CAN BE EXPLAINED BY THE PREVIOUS YEAR’S BUDGET

“According to McKinsey studies, 89% of the current year’s budgets can be explained by the previous year’s budget. This tremendous inertia drives the predictability of defense spending.”
– Defense Business Board Study, September 2011

“The Pentagon must also sharply prune the tens of billions it spends every year on building new versions of Cold War weapons systems ill-suited to America’s 21st-century military needs.”
– New York Times editorial, September 27, 2011

“This country’s dire fiscal situation—and the threat it poses to American influence and credibility around the world—will only get worse unless the U.S. Government gets its finances in order. And as the biggest part of the discretionary federal budget the Pentagon cannot presume to exempt itself from the scrutiny and pressure faced by the rest of our government.”
– Secretary of Defense Robert Gates, January 6, 2011
“Taming the federal budget and nuclear weapons spending requires us to be both relentless and opportunistic. Ploughshares gets that—as a funder and a partner.”
As a lawyer and an advocate, Ryan Alexander knows that understanding budgets is essential to creating fair policy. Using its status as a well-respected watchdog, Alexander and a team from Taxpayers for Common Sense reached out to all freshman Senators and their staff at the beginning of the year. They’ve now met with 10 of 13 Senate offices to make the case for responsible defense cuts, starting with nuclear weapons.
Nuclear weapons have often been referred to as the ultimate peacekeepers. In fact, nuclear weapons often complicate existing conflicts, making diplomatic resolutions more difficult.

That’s why Ploughshares Fund continues to work to prevent the use of and ultimately eliminate nuclear weapons in areas with some of the world’s longest-standing conflicts: the Korean Peninsula and South Asia.

In the absence of official dialogue between conflicting parties, it falls to nongovernmental experts to fill the void—so-called Track Two diplomacy. Track Two efforts can provide needed intelligence about facts on the ground; can convey or receive official messages or signals without exposing the source; and can generate ideas and policy proposals that governments can implement when they finally reengage.

In North Korea, Ploughshares Fund supported Track Two efforts that helped to keep dialogue alive after the contentious sinking of the South Korean ship Cheonan halted official diplomatic efforts. Throughout the year, our grantees provided avenues for new information to surface—including the first sight of a new uranium enrichment facility—and kept up a steady public flow of analysis that served to counter media sensationalism.

In South Asia, Ploughshares Fund has concentrated on reducing the triggers that could spark a nuclear conflict, particularly water. In the past year, a grant to the Pugwash Conferences on Sciences and World Affairs supported the continuation of the Independent India Pakistan Commission, one of the most viable and consistently active unofficial channels of communications between the two rival nations. Outside of unofficial bilateral talks, we have supported civil society efforts in Pakistan to train local religious leaders in peace-building methods and to help citizens displaced by the 2010 floods.

Talking for the sake of talking is not success. But often, engagement creates a dynamic that allows parties to recognize previously unseen opportunities and can pay dividends in breakthrough agreements that never would have happened without the ability to negotiate.
THE ROLE OF TRACK TWO DIPLOMACY

So-called “Track Two” efforts by civil society keep dialogue alive when governments are not officially talking. Below is an example of how some Ploughshares Fund-supported Track Two activities have helped move dialogue forward on North Korea.

ACTION

- The South Korean ship Cheonan is sunk. South Korea accuses North Korea. Trade and diplomatic relations between the two countries are cut off. Demonstrating allegiance to South Korea, the U.S. suspends diplomatic engagement. May 2010
- The U.S. imposes new sanctions on North Korea. July 2010
- North Korea fires on a South Korean island, killing and injuring civilians and soldiers. November 2010
- The U.S., Japan, and South Korea reject China’s call for an emergency session of six-party talks. December 2010
- Ambassador Robert King, the Special Envoy for North Korean Human Rights Issues, visits North Korea – the first US official to do so in almost two years. May 2011

TRACK TWO RESPONSE

- Ploughshares Fund convenes grantees and experts in Washington, DC. Grantees exchange information and decide to focus on media advocacy, congressional education and Track Two efforts. Spring 2010
- Grantees publish article in Foreign Policy, countering sensational press coverage around North Korea and making a case for engagement. September 2010
- North Korea reveals that it has constructed a new uranium enrichment facility to a visiting team supported by Ploughshares Fund. In the absence of official government discussions, this is the only information available about the North Korean nuclear program. November 2010
- Another Ploughshares Fund-supported delegation travels to North Korea to explore topics that might serve as entry points to restart discussions between the U.S. and the DPRK. December 2010
- Governor Bill Richardson travels to Pyongyang for informal talks. Wolf Blitzer accompanies him and produces CNN’s first special report broadcast from North Korea. May 2011
- Grantees hold meetings with U.S. experts and North Korean officials in Berlin to move dialogue forward on the basis of specific common interests.

PROMISE OF A PAYOFF: North Korea and South Korea meet on the sidelines at the ASEAN Forum in Indonesia. The meeting opened the way for a direct U.S.-North Korea discussion that took place in New York. The stage is set for more direct engagement that could lead to renewed official negotiations.
“Ploughshares provides vital support enabling sustained work to eliminate nuclear weapons from the Korean Peninsula.”

Dr. Siegfried Hecker & Dr. John Lewis
Stanford Center on International Security and Cooperation
In a period in which official information was scarce, Lewis and Hecker led an unofficial U.S. delegation to North Korea. They were shown a new uranium enrichment facility, enabling them to bring back needed reliable information on the development of North Korea’s nuclear program.
Ploughshares Fund is a collaboration of individuals who care deeply about increasing peace and security in our nation and the world. Nuclear weapons are one of the most dangerous threats that humanity has ever faced. However, they are shrouded in secrecy and political maneuvering. Seeking ways to impact the national security policy of nations is not easy, but working together, we are able to amplify the voices of some of the smartest scientists, lawyers, experts and advocates. Our status as a public foundation enables us to move flexibly, supporting individuals and institutions as needed and giving last minute grants that push victories across the finish line.

It is this kind of partnership between philanthropists and practitioners that has helped make Ploughshares Fund a success for the past thirty years. We thank our many dedicated supporters for their continued commitment.
“Nuclear weapons do not make us safer, and instead make us increasingly vulnerable.”
Susie Tompkins Buell Fund of the Marin Community Foundation
Lew and Sheana Butler
Brook and Shawn Byers
C. J. L. Charitable Foundation
Kimo Campbell
Doug Carlston
Sage and John Cowles
Julia Dayton
Peggy and Reid Dennis
The Denny Fund of the Minneapolis Foundation
Laurie T. Dewey
Double E Foundation
Mr. and Mrs. Wolcott B. Dunham, Jr.
Firedoll Foundation
Connie Foote Family Fund of the Saint Paul Foundation
Barbara Forster and Larry Hendrickson
Angela and Jeremy Foster
Terry Gamble and Peter Boyer Fund of the San Francisco Community Foundation
John B. Gilpin
Julie and Parker Hall
Thomas Hall and the Onward Fund
The Hellman Family Foundation
Barbara W. Hostetter
Ishiyama Foundation
Melodee Siegel Kornacker
Trish Tobin Kubal
Lee and Luis Lainer Family Foundation
The Leavens Foundation
Judith Maier
Marjorie D. Main *
Barbara Manger and Bill Lynch
John P. McBride Family and the ABC Foundation
Nion T. McEvoy
Mrs. Albert Moorman
Stewart R. Mott Charitable Trust
Dr. Victoria T. Murphy
The Will and Julie Parish Fund of the Tides Foundation
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Annette J. Roberts and Joan R. Robertson Fund for World Peace, World Law and Peace Education of the Greater Milwaukee Foundation
Margaret Saunders
Stanley and Sydney Shuman
Margaret R. Spanel
Nancy Stephens and Rick Rosenthal
Jane Watson Stetson
Barry and Marjorie Traub
Brooks Walker III
The Adam J. Weissman Foundation
Jill Troy Werner/Werner Family Foundation
Alba Witkin
Peggy and Lee Zeigler
Anonymous (2)

**COUNCIL ENVOYS**

**Gifts of $5,000-$9,999**

Corinne Abel
Virginia Blacklidge
Lucy Butler
Michael Ciresi
Laurie Cohen Fund of the San Francisco Foundation
The Edward T. Cone Foundation
Mark and Rena Davidson
Philanthropic Fund
Phyllis Diebenkorn
Laura Donnelley
Leo and Kay Drey
Joan and Graham Driscoll
Donald and Arvonne Fraser
David and Margie Guggenheim
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James and Rosalyn Hawley
Ruth and Alfred Heller Fund of the San Francisco Foundation
Victoria Holt
James C. Hormel
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The Leo Model Foundation
Katharine Mountcastle
Gilman Ordway
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Purple Lady Fund/ Barbara J. Meislin
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Bruce and Phyllis Rosenblum
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Rodney Smith
Chris Stadler
Phyllis and Max Thelen
Marilyn L. Thomas
Irene M. Weigle
Anonymous (3)

**COUNCIL DIPLOMATS**

**Gifts of $1,000-$4,999**

Pat and Ronald D. Adler
Jeanette E. Akhter
Sandra and Ethan Alyea
Connirae and Steve Andreas
Marcia Angle and Mark Trustin Fund of the Triangle Foundation
Kristin L. Anundszen
Alan Appleford
Artifex Software
Reza Asian
Julia G. Axtell
Barbara and Bob Bachner
Elizabeth Balderston
Gustavo Bamberger
Hank Bannister
C. Minor Barringer
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Elspeth G. Bobbs
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Doris and Howard Conant
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Patsy Cravens
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L. Peter Deutsch
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Diao Family Foundation
Patricia and Franz Jahoda
Elaine Lynch Jones
Hamilton F. Kean
Gina and Rich Kelley
Margaret L. Keon
Bob and Margee Kinney
Pamela and Marty Krasney
Helen B. Krumboiltz
Kudrow-Stern Family Trust
Emily Kunreuther
Herbert and Edythe Kurz
Bernice K. Lasker
Elizabeth and Scott Lassar
Marta Jo Lawrence
Thomas C. Layton and Gyongy Laky
Bertram N. Linder
Lisa Esherick Fund of the East Bay Community Foundation
Garold and Joyce Faber
Peter Felsenthal and Jennifer Litchfield
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James B. and Louise Frankel
Naomi C. Franklin
Jack and Deborah French
Eleanor Friedman and Jonathan Cohen
Stuart Gasner and Kate Ditzler
John and Monica Geocaris Fund of the Chicago Community Trust
Rev. and Mrs. James Gertmenian
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Sarah and Seth Glickenhaus
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Laurel Gonsalves
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Ellen Grobman
Sharon and William Gross
Nina Hale and Dylan Hicks
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Olive Higgins Prouty Foundation, Inc.
Michael Hirschhorn and Jimena Martinez
Sandra and Charles Hobson
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David and Arlene Holloway
Catherine Newman Holmes
Daniel Walker Howe
John Hoyt
Ellen F. Hunt
Faith Haskell Tompkins Fund of the Marin Community Foundation
Patricia and Franz Jahoda
Elaine Lynch Jones
Hamilton F. Kean
Gina and Rich Kelley
Margaret L. Keon
Bob and Margee Kinney
Pamela and Marty Krasney
Helen B. Krumboiltz
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Emily Kunreuther
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Bernice K. Lasker
Elizabeth and Scott Lassar
Marta Jo Lawrence
Thomas C. Layton and Gyongy Laky
Bertram N. Linder
Margo Sensenbrenner
Sayre P. Sheldon
Robert R. and Howard A. Siegel
Robert E. Sims
Daniel Smith and Lucinda Lee
Harlan and Margaret Smith
Jane Ann J. Smith and Donald W. Smith
Mason and Jeannie Smith
Harriet and Edson Spencer Foundation
Frances W. Stevenson
Dr. and Mrs. C. Porter Storey
William and Lee Strang Fund of the Minneapolis Foundation
Andrew and Thelma Klein Strauss
Lucy B. Stroock
Patricia Sullivan
William Bennett Turner
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Theodore von der Ahe, Jr. Trust
Mr. and Mrs. Brooks Walker, Jr.
Doug and Maggie Walker
Walker/ Warner Architects, Inc.
Stephen A. Warnke
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Deborah T. Whitney
Searle Whitney
Frank & Frances Wilkinson Foundation
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Mason Willrich
Penny Winton
Rufus Winton
Wilma and Lincoln Wolfenstein
David and Joanne Woodyard
James H. Worth
Michael Yessik
Anonymous (10)

PEACE AND SECURITY FUNDERS GROUP
The Arca Foundation
Carnegie Corporation of New York
Chino Cienega Foundation
Colombe Foundation
El-Hibri Charitable Foundation
The John E. Fetzer Institute
Hunt Alternatives Fund
Conrad R. Martin
Stewart R. Mott Charitable Trust
Open Society Institute
Peace Development Fund
Prospect Hill Foundation
Samuel Rubin Foundation
Schooner Foundation
Secure World Foundation
The Simons Foundation
Anonymous

NUCLEAR FREE LEGACY SOCIETY
Ploughshares Fund’s Nuclear-Free Legacy Society honors individuals who have made a commitment to building a world free of nuclear weapons by including Ploughshares Fund in their estate plans. Ploughshares Fund acknowledges and thanks the following members for their vision and generosity.

Edie Allen
Barbara and Bob Bachner
Helene F. Belz
I. Inka Benton
David Bezanson
Julia Bloomfield
James B. Blume and Kathryn W. Frank
Dr. Richard Bradus
Mimi and Dick Brukenfeld
Lew and Sheana Butler
Marguerite Craig
Patsy Cravens
Joan and Peter Elibott
Bob and Mary Lloyd Estrin
Veronica Fields
Angela and Jeremy Foster
Jean Fraser and Geoffrey R. Gordon-Creed
Barbara S. Green
Joe Gutstadt
Roger Hale and Nor Hall
Julie and Parker Hall
Frances K. Harris
David and Arlene Holloway
Jacques F. Jacobson
Wayne Jaquith
Bud and Fran Johns
Peter Kohnke

Ann L. Krumboltz
Herbert and Edythe Kurz
Jane Langley
Thomas C. Layton and Gyongy Laky
Jeffrey R. Leifer
Mactaggart Third Fund
David and Sandra Matteson
Carole L. Mendelsohn
Mr. and Mrs. William R. Miller
Lynda Palevsky
Merrill and Charlotte Palmer
Abraham and Camille Pollack
Jean S. Prokopow
Edward Rawson
Robert A. Rubinstein and Sandra Lane
James G. Sherwood, Trust
Rosalind Singer
Margaret R. Spanel
Mary B. Strauss
Margaret R. Spanel
Rosalind Singer
Martha O. Vinick
Marilyn L. Thomas
Patricia Sullivan
Rebecca Wood Watkin

*BEQUESTS
Edward Cammack
Estate of Richard H. Goodwin, Sr.
Joseph and Barbara Goldenberg
Marjorie D. Main
Rebecca Wood Watkin
Ploughshares Fund’s operations and grants were aimed at activities that have the potential to affect public policy, that is, reach policymakers, the media and the public with the information they need to make sound decisions about international security issues. In 2011, it deployed its programmatic resources in two ways: grants totaling $6,873,340 to organizations and individuals in the U.S. and a small set of key countries; and $306,793 in operational activities including directly lobbying by the Fund’s staff on New START and assembling a broad, bipartisan coalition of more than fifty organizations that helped persuade the U.S. Senate to ratify New START, and a high-level meeting in Switzerland that brought together high-level U.S. and Russian experts to discuss critical nuclear weapons and regional security issues. These activities strengthened and leveraged our grants, while also positioning the Fund as a leader in the nuclear security field.

Total investments in efforts to build a safe, secure, nuclear weapon-free world were $8,186,669, a reflection of the Board of Directors’ determination that Ploughshares Fund should expand its institutional capacity and grantmaking in order to capitalize on an historic and strategic moment to make progress toward a world free of nuclear weapons.

Ploughshares Fund came close to achieving its contributed income budgeted goal for annual support in 2011. All annual contributions go directly to the programs we fund, with nothing subtracted for administration or fundraising. These operational expenses are paid for by the Fund’s Board of Directors and a draw from our capital reserves (permanent and board-designated endowment funds).

Ploughshares Fund is a resourceful, cost-effective organization that works to keep operational and fundraising expenses low in order to allocate as much money as possible to programs aimed at building a safer, more peaceful world. This year we spent 85% of our budget on grantmaking and program services, exceeding standards set by the National Charities Information Bureau/Better Business Bureau and Charity Navigator, which awarded Ploughshares Fund a 4-star rating for excelling in financial management and effectiveness—it’s highest rating.

Of the $35,549,869 in total net assets reported at the end of the year, $32,641,181 is held in our capital reserves, which were established to provide stable and predictable funds for annual and long-term grantmaking and operations.
### Financial Report

**Support and Revenue**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>5,162,350</td>
<td>3,993,562</td>
</tr>
<tr>
<td>Interest and short term investment return</td>
<td>296</td>
<td>1,169</td>
</tr>
<tr>
<td>Investment return</td>
<td>5,677,444</td>
<td>3,427,410</td>
</tr>
<tr>
<td>Changes in value of split-interest agreements</td>
<td>10,182</td>
<td>12,787</td>
</tr>
<tr>
<td><strong>Total Support and Revenue</strong></td>
<td>10,850,272</td>
<td>7,434,928</td>
</tr>
</tbody>
</table>

**Expenses**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants from Ploughshares Fund</td>
<td>6,813,006</td>
<td>6,329,736</td>
</tr>
<tr>
<td>Grants from Cowles Fund</td>
<td>60,334</td>
<td>175,314</td>
</tr>
<tr>
<td>Special Projects</td>
<td>306,793</td>
<td>624,947</td>
</tr>
<tr>
<td>Program support</td>
<td>1,006,536</td>
<td>1,033,041</td>
</tr>
<tr>
<td>Supporting Services2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General administration</td>
<td>470,886</td>
<td>387,840</td>
</tr>
<tr>
<td>Development</td>
<td>948,434</td>
<td>812,477</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>9,605,989</td>
<td>9,363,355</td>
</tr>
</tbody>
</table>

**Change in Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Net Assets, Beginning of Year</strong></td>
<td>34,305,586</td>
<td>36,234,013</td>
</tr>
<tr>
<td><strong>Total Net Assets, End of Year</strong></td>
<td>35,549,869</td>
<td>34,305,586</td>
</tr>
</tbody>
</table>

**Assets and Liabilities**

For fiscal year ended June 30, 2011

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,382,607</td>
<td>796,480</td>
</tr>
<tr>
<td>Promises to give</td>
<td>1,160,396</td>
<td>1,734,746</td>
</tr>
<tr>
<td>Interest receivable and other assets</td>
<td>81,653</td>
<td>20,707</td>
</tr>
<tr>
<td>Long term investments</td>
<td>33,333,500</td>
<td>33,664,169</td>
</tr>
<tr>
<td>Fixed assets (less accumulated depreciation and amortization)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>37,012,951</td>
<td>36,261,563</td>
</tr>
</tbody>
</table>

**Liabilities and Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>131,477</td>
<td>111,970</td>
</tr>
<tr>
<td>Grants payable</td>
<td>1,265,334</td>
<td>1,786,628</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>47,197</td>
<td>57,379</td>
</tr>
<tr>
<td>Excise tax payable</td>
<td>19,074</td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>1,463,082</td>
<td>1,955,977</td>
</tr>
</tbody>
</table>

**Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>12,288,604</td>
<td>9,356,177</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>18,308,300</td>
<td>20,008,106</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>4,952,965</td>
<td>4,941,303</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>35,549,869</td>
<td>34,305,586</td>
</tr>
</tbody>
</table>

**Total Net Liabilities and Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Net Liabilities and Net Assets</strong></td>
<td>37,012,951</td>
<td>36,261,563</td>
</tr>
</tbody>
</table>

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1. A completed audited financial report is available upon request.
2. All administrative and fundraising expenses are covered by contributions from Ploughshares Fund's Board of Directors, an annual draw from the capital reserves and allocations from a few foundations.
3. These assets include investments in Ploughshares' Pooled Income Fund.

### Conflict of Interest Policy

As a public foundation, dependent upon the contributions and involvement of the public, Ploughshares Fund has a special commitment to ethical behavior and transparency in our work. The board and staff of Ploughshares Fund are encouraged to play active roles in their communities, which may lead, from time to time, to potential conflicts of interest or the appearance of such. It is our policy to acknowledge such conflicts openly and appropriately. In cases where a grant is awarded and one or more of Ploughshares Fund’s board members has abstained from voting on our discussing the proposed grant because of a conflict or the appearance thereof—for example, he or she is a member of that organization’s Board of Directors or is employed by the organization—such circumstances are clearly identified in the Annual Report.

### Information for Applicants

Ploughshares Fund supports organizations and individuals working to build a safe, secure, nuclear weapons-free world. Please refer to our website ploughshares.org, for guidelines, application requirements and deadlines. Proposals must be submitted by email to ploughshares@ploughshares.org.
The ultimate vision of Ploughshares Fund is the peace and security of a world without nuclear weapons. It is our belief that we can only guarantee that nuclear weapons will never be used when we have completely eliminated them from the planet. Along with our shorter term goals, we continue to fund concrete projects that support this long-term vision.

It is a vision that has become the norm. World leaders—including U.S. President Barack Obama—now routinely confirm the goal of zero nuclear weapons as national policy. Global Zero, an international movement, has recruited over 300 military, political, faith and civilian leaders worldwide to publicly pledge their support for nuclear abolition and to commit to concrete actions to achieve it. At its October 2011 summit, General James Cartwright, just retired as vice chairman of the Joint Chiefs of Staff, said, “At the end of the day, the goal has to be zero. Not zero deployed. Not zero between Russia and the United States. It has to be zero.”

The list continues to expand. Led by former British Minister of Defense, Des Browne, the European Leadership Network has built a Europe-wide network of influential policymakers who support nuclear weapons reductions. This year, Lord Browne is harnessing the power of this group to overcome obstacles to further U.S.-Russian arms control negotiations. In the United Kingdom another Ploughshares Fund grantee, the British American Security Council (BASIC), is spearheading efforts to examine the elimination of some or all of Britain's Trident nuclear-armed submarines.

As more leaders commit to elimination as a goal, good intentions are becoming reality. In the U.S., President Obama is beginning to implement a new nuclear posture with “significantly lower nuclear force levels and with reduced reliance on nuclear weapons.” In a speech at the Arms Control Association in May, Under Secretary of State Ellen Tauscher reaffirmed the administration’s commitment to moving forward on further arms reductions with Russia and to winning ratification of the Comprehensive Test Ban Treaty.

At Ploughshares Fund, we have always believed that we could eliminate nuclear weapons. The political challenges ebb and flow. But never before has the arc of history bent so strongly in our favor.
30 YEARS OF PROGRESS

We’ve come a long way since Ploughshares Fund was founded in 1981. The steady progress made in reducing and eliminating nuclear weapons programs shows that a nuclear weapons-free world is not just a vision, it is a real possibility.

IN 1981, THE TOTAL NUCLEAR WEAPONS WORLDWIDE: 56,000

IN 2011, THE TOTAL NUCLEAR WEAPONS WORLDWIDE: 20,500

COUNTRIES WHO HAVE ENDED NUCLEAR WEAPONS PROGRAMS OVER THE LAST 30 YEARS:

- ARGENTINA
- BELARUS
- BRAZIL
- CHINA
- FRANCE
- INDIA
- IRAQ
- ISRAEL
- KAZAKHSTAN
- LIBYA
- NORTH KOREA
- PAKISTAN
- ROMANIA
- RUSSIA
- SOUTH AFRICA
- TAIWAN
- UK
- UKRAINE
- USA
- YUGOSLAVIA
“We need to continue to keep this subject on the front burner in every possible way and not let it die.”

SECRETARY

GEORGE SHULTZ

Ploughshares Fund Board of Advisors
In September, our executive director of fourteen years, Naila Bolus, left Ploughshares Fund to lead Jumpstart, an early education organization based in Boston. In October, we were thrilled to welcome Philip Yun as our new executive director and chief operating officer.

“As a board member, I saw the tremendous job that Naila has done getting Ploughshares Fund to the next level and to make a difference. I am excited to have the chance to continue her work, and to do it in close partnership with President Joe Cirincione.”

“Philip has been on the board of Ploughshares Fund for eight years and has during that time been a voice of strategic wisdom, smarts and savvy. Plus, he’s just a great, great guy.”

As President Reagan’s Secretary of State, George Shultz was influential in moving the world away from the brink of nuclear annihilation. Now, 25 years after the Reykjavik Summit, Shultz is a leading voice for the reduction and elimination of nuclear weapons. Together with three other senior U.S. statesmen, Shultz has been one of the most influential voices publicly urging a move away from nuclear weapons.
Ploughshares Fund works to build a safe, secure, nuclear weapon-free world by developing and investing in initiatives to reduce and ultimately eliminate the world’s nuclear stockpiles, and to promote stability in regions of conflict. Ploughshares Fund is supported by individuals, families and foundations.