

Nuclear weapons spending: a theft of public resources

Challenging government investments in nuclear arms

KEY FIGURES

\$104.9 billion

Projected global nuclear weapons spending in 2011, up from \$91 billion in 2010

Source: Global Zero

\$213 billion

Expected funding over 10 years to overhaul the US nuclear arsenal, on top of the regular annual budget of roughly \$60 billion

Source: US military

\$160 billion

Estimated total cost over several years of renewing Britain's ageing fleet of nuclear-armed submarines

Source: CND (~ £100 billion)

\$10 million

Annual United Nations budget for disarmament and non-proliferation work

Source: UNODA

\$128.7 billion

Spending by rich nations on official development assistance in 2010

Source: OECD

SUMMARY

- Despite the end of the cold war, nations continue to invest billions of dollars every year in the modernization of their nuclear forces, blocking efforts to achieve disarmament.
- Money spent on nuclear weapons should be redirected towards meeting human needs, with nuclear industry employees transitioned to socially useful jobs.
- A majority of people in nuclear-armed nations support the total abolition of nuclear weapons, making investments in modernization undemocratic.
- Citizens can put pressure on their legislators to reject nuclear weapons funding, and financial institutions can divest from nuclear weapons companies.



Nuclear weapons pose a grave threat to the future of humanity, and their development, manufacture, maintenance and modernization divert vast public resources from health care, education, climate action, disaster relief and other essential services. It is estimated that in 2011 the nine nuclear-armed nations will spend a total of US\$104.9 billion on their nuclear arsenals,¹ despite the International Court of Justice having declared in 1996 that it is illegal to use nuclear weapons² and all parties to the nuclear Non-Proliferation Treaty having acknowledged in 2010 the catastrophic humanitarian consequences of any such use.³

“The world is over-armed and peace is under-funded.”

UN SECRETARY-GENERAL BAN KI-MOON, 2009

The World Bank estimated in 2002 that an annual investment of just US\$40 to \$60 billion – roughly half the amount currently spent on nuclear weapons – would be enough to meet the internationally agreed Millennium Development Goals on poverty alleviation by the target date of 2015.⁴ The goals are to:

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality/empowerment
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS and other diseases
- Ensure environmental sustainability
- Develop partnerships for development.

Other organizations have come up with higher cost estimates.⁵ This paper compares nuclear weapons spending with development and disarmament spending, and offers practical suggestions for citizen action aimed at redirecting public money away from nuclear weapons and towards meeting human needs.

These weapons do nothing to address any of today's real security problems. With opinion polls in nuclear-armed nations showing strong

public support for the abolition of nuclear weapons – and most political leaders also championing the cause – investments in nuclear arms must cease.

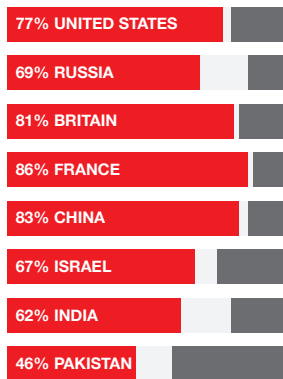
NUCLEAR WEAPONS SPENDING

Country	2010	2011
United States	\$55.6bn	\$61.3bn
Russia	\$9.7bn	\$14.8bn
China	\$6.8bn	\$7.6bn
France	\$5.9bn	\$6.0bn
Britain	\$4.5bn	\$5.5bn
India	\$4.1bn	\$4.9bn
Israel	\$1.9bn	\$1.9bn
Pakistan	\$1.8bn	\$2.2bn
North Korea	\$0.7bn	\$0.7bn
Total	\$91.0bn	\$104.9bn

Estimates by Global Zero 2011. Figures in USD.

PUBLIC OPINION

Opinion polls in seven of the nine nuclear-armed nations – and elsewhere – show that a majority of people support the prompt negotiation of a treaty to eliminate nuclear weapons. Nuclear disarmament is the democratic wish of the world's people.



Source: World Public Opinion 2008

CORPORATIONS

In some nuclear-armed nations, governments enter into contracts with private companies to carry out modernization activities. The following companies are among those presently involved in the production of nuclear weapons and their delivery vehicles:

- Babcock International
- Babcock & Wilcox
- BAE Systems
- Boeing
- EADS
- Finmeccanica
- GenCorp Inc
- General Dynamics
- Goodrich Corporation
- Honeywell
- ITT Corporation
- Jacobs Engineering
- Larsen & Toubro
- Lockheed Martin
- Moog
- Northrop Grumman
- Raytheon
- Rockwell Collins
- Safran
- Serco Group Plc
- Thales

Source: PGGM 2011



The United States spends as much on its nuclear weapons as the other eight nuclear-armed nations combined. Its nuclear weapons budget is twice the size of its aid budget.

A new nuclear arms race

In the years immediately following the end of the cold war, the United States and Russia dismantled tens of thousands of their nuclear weapons. Over the course of the conflict, the two superpowers had amassed close to 70,000 nuclear warheads – enough to destroy every city in the world several times. For a brief period in the 1990s, world military spending began to decline. Some developing nations spoke optimistically of the “disarmament dividend” that would result from the new world order, expressing their hope that the harmonization of international relations would free up wealth to improve living conditions for the world’s poor.

However, by the late 1990s, military spending was once again on the rise, and the September 11 terrorist attacks on the United States in 2001 led to massive increases. The Stockholm International Peace Research Institute estimates that, in 2010, nations spent \$1630 billion on their armed forces,⁶ with the global financial crisis of 2008 barely making a dent in military budgets.

Expenditure on nuclear weapons represents 6.4% of the total global military outlay – a significant proportion considering that only nine out of some 200 nations possess nuclear weapons. With five of the nuclear powers having made a legally binding undertaking to eliminate their nuclear arsenals, and the other four also being obliged under customary law to disarm, it defies belief that all are wasting

billions of dollars a year maintaining and modernizing their nuclear forces. None appear to be preparing for a future without these ultimate weapons of terror and destruction.

By extending the lifetime of their nuclear weapons for many decades – and building new missiles, submarines and bombers to carry them – these nations are undermining disarmament efforts and fuelling a potentially catastrophic nuclear arms race.

Current nuclear weapons spending

Global Zero has predicted that US\$1 trillion will be spent on nuclear weapons over the next decade – unless people stand up and take action to halt this explosive expenditure.

“Every gun that is made, every warship launched, every rocket fired signifies in the final sense a theft from those who hunger and are not fed, those who are cold and are not clothed.”

US PRESIDENT DWIGHT D. EISENHOWER, 1953

Their estimates, which they describe as conservative, include costs of researching, developing, procuring, testing, operating, maintaining and upgrading the nuclear warheads, as well as their key command-and-

control infrastructure and delivery vehicles such as missiles. They also take into account deferred environmental and health costs and spending on missile defences assigned to defend against nuclear weapons.

Despite the New START treaty signed in 2010 to modestly reduce the strategically deployed nuclear weapons of Russia and the United States, both nations continue to invest billions in the modernization of their nuclear warheads and are upgrading their nuclear weapons facilities, missiles, submarines and bombers.

GDP COMPARISON

The nine nuclear-armed nations will spend roughly as much on their nuclear weapons in 2011 as the gross domestic product of the following **50 nations** combined, which have a total population of over **130 million** people:

- Moldova
- Tajikistan
- Rwanda
- Kosovo
- Niger
- Malawi
- Liechtenstein
- Kyrgyzstan
- Guinea
- Montenegro
- Andorra
- Swaziland
- Mauritania
- Suriname
- Barbados
- Togo
- Fiji
- Guyana
- Lesotho
- Eritrea
- Central African Republic
- Sierra Leone
- San Marino
- Cape Verde
- Burundi
- Bhutan
- Maldives
- Belize
- Djibouti
- Antigua & Barbuda
- Liberia
- Seychelles
- Saint Lucia
- Guinea-Bissau
- The Gambia
- Vanuatu
- Timor-Leste
- Solomon Islands
- Grenada
- Samoa
- St Vincent & Grenadines
- Comoros
- St Kitts & Nevis
- Dominica
- Tonga
- Micronesia
- São Tomé & Príncipe
- Palau
- Marshall Islands
- Kiribati

Total GDP US\$108bn

GDP figures from World Bank in 2010

US President Barack Obama has supported a major boost in nuclear weapons spending over the next decade, which will allow for the construction of three new nuclear bomb factories to assist with the complete overhaul of the US nuclear arsenal. The expected total cost according to military officials is US\$213 billion over the course of the upgrade, which is additional to the regular annual nuclear weapons budget of more than US\$60 billion.

Large investments in the modernization of nuclear arsenals cast serious doubt on the sincerity of leaders' pledges to work for a world free from nuclear weapons, suggesting instead a commitment to retain such weapons indefinitely. Beyond the pro-disarmament rhetoric of nuclear-armed nations is the disturbing reality of a massive effort to bolster the world's nuclear forces.

Comparisons with spending on aid

Every dollar spent on nuclear weapons could be freed up and put to more effective use. For all nuclear-armed nations, it is money that could be used to overcome poverty in their own societies and protect the environment. For richer nations with nuclear weapons, it is wealth potentially directed towards the alleviation of extreme poverty abroad.

Country	Nuclear weapons	Aid
United States	\$61.3bn	\$30.2bn
France	\$6.0bn	\$13.8bn
Britain	\$5.5bn	\$12.9bn

Aid spending based on OECD statistics for 2010

In 2010 official development assistance – the aid money given by developed nations to developing nations – totalled US\$128.7 billion.⁷ Current nuclear weapons spending is equal to 80% of this sum. The US aid contribution was the largest in absolute terms at US\$30.2 billion, or about half the amount it spent on its nuclear arsenal in 2010.

Official development assistance to Africa, the poorest continent on Earth, was a paltry US\$29.3 billion in 2010, or less than one-third of the sum spent on nuclear weapons. As millions across the globe go hungry and are denied access to clean water, basic medicines and sanitation, the nuclear-armed nations spend US\$287 million every day – or US\$12 million an hour – on their nuclear forces.

Comparisons with national economies

The US nuclear weapons budget in 2011 (US\$61.3bn) is roughly equivalent to the gross domestic product of North and South Sudan (US\$62bn), whose combined population is 45 million. Total global nuclear weapons spending in 2011 (\$104.9bn) is more than the gross domestic product of Bangladesh (US\$101bn), a nation of 158.6 million people.⁸

Comparisons with the UN budget

One year of nuclear weapons spending is equal to 42 years of the regular UN budget of US\$2.5 billion, which covers the work of the Secretariat, the General Assembly, the Security Council, the Economic and Social Council, the International Court of Justice and the special political missions in Afghanistan and Iraq.

The annual peacekeeping budget – which funds missions in the Democratic Republic of the Congo, Darfur, Côte d'Ivoire, Liberia, Western Sahara, Haiti, Timor-Leste, India and Pakistan, Cyprus, Kosovo and Lebanon, among other places – is larger, at US\$7.3 billion. One year of nuclear weapons funding is equal to 14 years of peacekeeping.

Comparisons with disarmament

The Office for Disarmament Affairs is the principal UN body responsible for advancing a world free of nuclear weapons. It runs operations and offices in New York, Geneva, Lomé, Lima and Kathmandu, with a total of 100 staff. In addition to working on nuclear disarmament, it also addresses the threat of chemical and biological weapons, landmines, cluster munitions and small arms.

Its annual operating budget is approximately US\$10 million, which is less than the amount the nuclear-armed nations spend on their nuclear weapons *every hour*. The global nuclear weapons budget of US\$104.9 billion is more than 10,000 times greater than the UN disarmament and non-proliferation budget.

National disarmament work is also grossly under-funded. US spending on warhead dismantlement has decreased dramatically under President Obama. In the 2009 fiscal year, it was US\$186 million. This was slashed to \$96 million in 2010 and just \$58 million in 2011.⁹ There has been a corresponding decline in the rate of dismantlement, with an estimated 260 warheads dismantled in

ENDNOTES

1. Global Zero, *Nuclear Weapons Cost Study*, 2011
2. Advisory Opinion on the Legality of the Threat or Use of Nuclear Weapons, 1996
3. Final Document, Non-Proliferation Treaty Review Conference, 2010
4. World Bank, *The Costs of Attaining the Millennium Development Goals*, 2002. It notes that many countries will need to reform their policies and improve service delivery to make the additional spending effective
5. The International Peace Bureau estimated in 2009 that \$288–329 billion of extra funding each year would be needed, while the UN Millennium Project in 2005 put it at up to \$189 billion
6. Stockholm International Peace Research Institute, *Yearbook 2011*, 2011
7. Organization for Economic Cooperation & Development, 'Development Aid Reaches an Historic High,' 2011
8. GDP figures from the World Bank for 2010; population figures from the CIA *World Factbook* for 2011
9. Global Security Newswire, 'Nuclear Agency Officials Defend Rate of Warhead Dismantlement,' 22/02/2010
10. US Department of Defense, 'Increasing Transparency in the US Nuclear Weapons Stockpile,' 3/05/2010
11. Jakob Kellenberger, 'Bringing the Era of Nuclear Weapons to an End,' 20/04/2010

* Please be aware that in some countries boycotting is prohibited by law. You may choose not to pursue this approach on this basis.

This issues paper was prepared by Tim Wright, Australian Director of the International Campaign to Abolish Nuclear Weapons, in September 2011.

tim@icanw.org



Dire economic times have led the British government to cut funding to education and health, but it has refused to rule out spending \$160 billion on renewing its nuclear-armed submarines.

2010 compared with 648 in 2008. In the 1990s more than a thousand US warheads were taken apart every year.¹⁰ As spending on the modernization of nuclear weapons has increased, disarmament work has been scaled back because the same facilities are used for disassembly as for re-assembly. In other words, building new nuclear weapons from old warheads has taken priority over dismantlement. The United States now spends 1000 times more on the maintenance and modernization of its nuclear forces than it does on dismantling warheads.

Transitioning to socially useful jobs

The International Trade Union Confederation has called on nuclear weapons spending to be redirected towards creating decent work in socially useful sectors of the economy. It supports efforts to transition those employed by the nuclear weapons industry to new jobs. In 2010 more than six million of its members signed petitions calling on nations to begin work on a nuclear abolition treaty.

Engaging the development sector

Building an effective movement for the total abolition of nuclear weapons will require the active engagement of the development sector. In 2010 the International Committee of the Red Cross adopted nuclear disarmament as a major focus of its work.¹¹ Humanitarian organizations can draw attention not only to the opportunity costs of nuclear weapons, but also to the health and environmental costs of their use, testing and production. They can advise the public and decision makers that no effective humanitarian response would be possible in the event of a nuclear attack anywhere in the world.

Actions to end nuclear spending

- **Legislative action:** Decisions to fund nuclear weapons are typically made by parliamentarians, who approve military budgets. Campaigners can work with supportive politicians to block funding to nuclear weapons programmes. For tips on engaging politicians, go to www.pnnd.org.
- **Nuclear divestment:** More than 20 companies globally are contracted to maintain and modernize nuclear warheads and build new nuclear missiles, bombers and submarines. Campaigners can put pressure on banks and pension funds to divest from these companies.
- **Nuclear boycotting:** Some of the companies that produce nuclear weapons also produce consumer products. For example, Honeywell is involved in simulated nuclear testing for the United States and also sells air conditioners. The public could be discouraged from purchasing such goods.*
- **Actions around bases:** People who live close to facilities used to develop, manufacture and store nuclear weapons should be informed of the potentially catastrophic consequences of the industry. Actions near such facilities can help to build opposition to nuclear weapons among this important constituency.
- **Setting priorities:** In the nuclear-armed nations, public debate could be generated about ways to provide genuine security through non-military means. This could be achieved through media commentary, town hall meetings and workshops at universities. How would you spend US\$104.9 billion to build a more secure world?