

CHILE / ENGLISH EDITION

Inside SQM's Links to BlackRock and the Alleged Ties to the Gaza Genocide

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As the war in Gaza—described by many international observers as genocide—continues to draw global condemnation, scrutiny is shifting from politics and the battlefield to the financial world. Behind every drone, missile, and surveillance system used in Palestine lies a web of global capital, with BlackRock—the world's largest asset manager, overseeing more than \$10 trillion—at its center.



As the war in Gaza—described by many international observers as genocide—continues to draw global condemnation, scrutiny is expanding beyond the political and military fronts to the financial world. Behind every drone, missile, and surveillance system used in Palestine sits a web of global capital that makes it possible. At the center of that network appears a familiar name: **BlackRock**, the world's largest asset manager, overseeing more than \$10 trillion.

In Chile, two key questions are in the spotlight: **What is the relationship between SQM and BlackRock?** and **How is BlackRock linked to the situation in Gaza?**

Public market filings point to clear evidence: BlackRock appears as a significant institutional shareholder of Sociedad Química y Minera de Chile S.A., **SQM**.

Regulatory disclosures and holdings summaries list millions of dollars in SQM **ADRs** (American Depositary Receipts) held by BlackRock in recent quarters□giving the firm direct financial exposure to SQM's performance.

The invisible capital behind Chile's lithium

Sociedad Química y Minera de Chile, one of the world's largest producers of lithium and other strategic minerals, is not only pivotal to Chile's economy but also a prized asset for global investment funds.

Fueling its record export figures and the lithium boom□driven by e-mobility and the global energy transition□is an ownership structure that includes one of the planet's most powerful financial conglomerates: **BlackRock Inc.**

According to data published by the financial portal **Investing.com**, as of **August 31, 2025**, **BlackRock ranks as SQM's third-largest institutional shareholder**, with an estimated stake of about **3.27%**.

That position□valued at roughly **US\$404.7 million**□makes the U.S. fund a relevant player among the indirect controllers of the non-metallic miner.

An earlier report from the same outlet, for **February 2025**, already placed BlackRock slightly higher, near **3.59%**, suggesting the fund has maintained a stable position in the Chilean company over recent quarters.

In SQM's case, BlackRock's exposure is concentrated in **ADRs** trading on the New York Stock Exchange under the symbol **SQM**.

Investing.com's data shows BlackRock among the largest holders of these ADRs, alongside other institutional investors such as **Vanguard Group** and **Capital Research Global Investors**, in a highly internationalized ownership structure.

While its direct stake does not confer decisive control over SQM's management, BlackRock's financial clout and market influence mean its investment moves can shape perceptions of stability, governance, and international outlook for the companies in which it invests.

SQM and the new white gold

BlackRock's interest in SQM is no accident. Lithium is widely viewed as the 'new oil' of the 21st century, and Chile—together with Australia and China—concentrates more than 80% of economically viable global reserves.

Operating in the Salar de Atacama, SQM has faced intense debate over water use, environmental impacts, and how the profits from this strategic resource are distributed—as well as penalties in the United States related to past illegal political financing in Chile.

The company also maintains a **public-private partnership with CORFO** and expects to sign a new contract with **Codelco**, Chile's state-owned miner, to operate the Salar de Atacama through 2060 with a plan to double its production quota—changes that critics warn would have serious fiscal and environmental consequences.

In this context, BlackRock's presence is more than a passive bet: it forms part of a transnational financial power structure that shapes the future strategy of Chile's lithium industry.

Máximo Pacheco and Corfo's strategy to finalize the controversial deal with SQM

Between returns and geopolitics

BlackRock's stake in SQM must also be read through a geopolitical lens. Lithium is a critical input for **electric-vehicle batteries** and energy-storage systems—sectors where the **United States** and the **European Union** are seeking to reduce reliance on **China**.

Direct or indirect control of lithium sources in Latin America has therefore become a long-term strategic objective.

On that global chessboard, BlackRock operates as a financial actor with outsized influence over investment and financing decisions. Its participation in SQM aims not only for returns but also to help secure access to a key raw material for the green economy Western powers seek to lead.

Institutional silence and transparency gaps

Neither BlackRock nor SQM has issued detailed public statements about the scope of this shareholding relationship. Nor is there evidence of direct communication or coordination beyond the listed ownership.

Even so, *Investing.com* records—drawing on regulatory and market sources—show the U.S. asset manager among the **five largest institutional holders of SQM globally**.

In Chile, disclosures to the **Financial Market Commission (CMF)** do not list BlackRock among the principal local shareholders, suggesting its stake is concentrated abroad via ADRs that represent the company's Series B shares.

The lack of consolidated transparency around SQM's international shareholder base makes it difficult to determine the real share of economic control in foreign funds' hands.

The future of lithium does not depend on JP Morgan's report, but on sovereign decisions

The two faces of green capital

There is a striking paradox: SQM, closely associated with the 'energy transition' and the promise of a sustainable future, is increasingly owned by investment funds that also hold sizable stakes in fossil-fuel and defense companies.

Despite its public rhetoric on environmental responsibility and ESG (environmental, social, and governance) standards, BlackRock has faced criticism

for **investing simultaneously in high-impact industries and in arms manufacturers.**

That duality exposes the tensions of green capitalism: while e-mobility is promoted as a climate solution, financial gains concentrate in the same global conglomerates that have long financed industries driving the ecological crisis.

Chile's lithium under global scrutiny

BlackRock's position in SQM is no mere financial footnote. It signals how Chile's strategic resources are woven into cross-border capital networks that operate beyond national control.

Amid intensifying competition for lithium, sovereignty over natural resources and rules for foreign capital have returned to the center of Chile's political and economic debate.

BlackRock and the Gaza genocide

In June 2025, the **UN Special Rapporteur** on the Palestinian territories, **Francesca Albanese**, released a report mapping companies that, according to her office's research, participate in the 'occupation economy' and may be helping sustain Israel's military campaign in Gaza. The document and subsequent coverage name more than 60 companies—mostly weapons manufacturers, technology providers, and financial entities—and call for tighter due diligence and, in some cases, legal restrictions or sanctions. Major international outlets covered the UN's findings widely.

At the same time, human-rights groups and monitoring centers have broadened scrutiny of asset managers for their investments in weapons makers and in Israeli debt or assets. Some reports and calls to action have cited managers such as

Pimco and **Vanguard**, while media and NGOs have also questioned other large managers for not responding to requests for comment.

What links does BlackRock have to the Gaza genocide?

As an asset manager, BlackRock decides where to allocate client capital. Although BlackRock does not manufacture weapons, its portfolio choices help determine which companies receive global funding. Among them are **two pillars of Israel's defense industry: Elbit Systems Ltd. and Rafael Holdings**.

Elbit Systems Ltd.: the corporate face of Israel's military power

Elbit Systems is the Israeli military's leading private contractor. It develops everything from drones and fire-control systems to advanced helmet displays for F-35 pilots. It is also a central actor in border surveillance and in building military infrastructure in the occupied territories.

Financial records for the second quarter of 2025 indicate that **BlackRock holds more than 110,000 shares of Elbit Systems Ltd.**, worth **approximately \$49.7 million**. That represents **over 12% of the stock held by financial institutions**, placing BlackRock among the company's top global investors.

These figures, reported by *BusinessQuant* and *Simply Wall St*, align on the size and value of the position.

The scale of that stake gives BlackRock strategic weight within the shareholder base of a company whose systems have been used in operations in Gaza and the West Bank. Elbit has been cited by **Amnesty International** and **Human Rights Watch** for its role in developing weapons 'battle-tested' in Palestinian territory.

Rafael Holdings: a smaller but symbolic investment

The second case is **Rafael Holdings**, a parent company with historical ties to **Rafael Advanced Defense Systems**, the state-owned producer of missiles, air-defense systems, and defense technology used by the **Israel Defense Forces** (IDF).

According to *Fintel*, as of June 30, 2025, **BlackRock held 394,026 shares of Rafael Holdings**, valued at about **\$681,000**—a **68% increase from the prior quarter**. While far smaller than its Elbit exposure, the upward trend suggests rising institutional interest in Israel's defense sector.

Rafael is responsible for systems such as Iron Dome, which protects Israel's airspace and has been deployed around Gaza. Its corporate expansion has drawn foreign funds seeking exposure to a technologically advanced, highly profitable sector.

The broader pattern: ETFs and indirect exposure

BlackRock also sponsors the **iShares MSCI Israel (EIS) ETF**, a fund that tracks the Israeli equity index. Within that vehicle, **Elbit Systems** is among the top holdings, alongside technology firms such as **NICE Ltd.** and **Check Point Software**, both active in cybersecurity and surveillance.

This means thousands of global investors—sometimes unknowingly—gain indirect exposure to Israeli defense companies when they invest in BlackRock-managed ETFs. The exposure is legal, but it raises a core question: can a global asset manager claim neutrality when its portfolios profit from industries implicated in armed conflict?

The ethical line: investment or complicity

Elbit Systems has been excluded in recent years by several European sovereign funds, including Norway's **Government Pension Fund Global**, precisely

because of its role in manufacturing weaponry used in Palestinian territories. BlackRock, however, is not among the institutions that have announced similar exclusions.

The firm says many of its funds track global indexes and that investment exposure does not imply political or moral endorsement of underlying companies. Critics counter that such neutrality is illusory: capital is not neutral when it finances systems used in a conflict the United Nations has called a humanitarian catastrophe.

A borderless capital network

The links between BlackRock and Israeli defense companies illustrate how global financial power operates across political borders.

As strikes in Gaza continue, money flows uninterrupted to corporations that build the systems sustaining the conflict.

BlackRock does not fire missiles, but **it is one cog in the system that makes them possible**. In today's architecture of power, war is also waged through investment portfolios.

Meanwhile, SQM is not only associated with the **Ponce Pinochet** clan; it also counts BlackRock among its largest institutional investors—links that critics argue tie Chilean lithium profits to companies connected with Israel's war in Gaza.

President **Gabriel Boric** has denounced the Gaza assault while backing the **SQM-Codelco** agreement, which critics say leaves the planet's most lucrative lithium source in the hands of the **Ponce Pinochet** group through 2060. Detractors contend this makes Chilean lithium, under SQM, complicit in Palestinian suffering.

Advocacy groups now urge President **Boric** to separate one of Chile's greatest public resources from the late dictator Pinochet's family and from financial links to the Gaza conflict.

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