

Discount Investment Corp.

Canada Pension Plan
2011 Investment

\$1 million

One of Israel's largest holding companies, DIC was created in 1961 as an investment vehicle for the Recanati family, who then owned the Israel Discount Bank (IDB). (See table "CPP investments," p.53.) The IDB and other Recanati-family businesses were controlled by an umbrella company called the IDB Holding Corp. In 2002, the Recanati family sold these investments to a group of investors led by Israeli billionaire Nochi Dankner, who now controls DIC.

When describing its "major investments" in 15 Israeli firms, DIC says it "is active" in their "direction and management." DIC's holdings include:

- **Nesher Israel Cement Industries (75%):** It supplies building materials for Israel's separation wall, and various Israeli infrastructure projects in the occupied territories. The other 25% is owned by CRH plc. (See p.20.)

- **Expand Networks:** Its products increase data-transfer efficiencies for large computer networks. Its customers include NATO and all branches of the US armed forces.

- **Elron Electronic Industries (48.7%):** Elron partnered with Israeli arms maker Rafael, to form the Rafael Development Corp. (RDC). (See "State-owned Israeli War Industries," pp.48-49.) Elron owns 50.1% of RDC while the rest is owned by Rafael. Through this "Strategic Alliance" with Rafael, Elron say it "initiates and develops new companies, leveraging its exclusive access to the military technologies of Rafael." (Elron partnered with Israel's military in 1966 to create Elbit, the country's top-ranking war industry. See pp.28-29.) Elron's VP since 2005, retired Brigadier General Yair Cohen, led special unit 8200, Israel's central military intelligence unit. (See



"Israeli Spy Companies," pp.43-47.)

- **Ham-Let Advanced Control Technology (60%):** This leading international producer of instrumentation valves and fittings, supplies many industrial sectors, including the military.

- **Cellcom (46.8%):** This company is a leading supplier of cell phone services to Israel's military. (See pp.17-18.)

- **Makteshim Agan Industries (MAI):** This DIC subsidiary produces agricultural chemicals and "additives for explosives." Its directors include Ephraim Halevy, who began working for Israel's foreign intelligence agency, the Mossad, in 1961. He led the Mossad (1998-2002), before heading Israel's National Security Council (2002-2003). MAI's board also includes Dani Harari, a retired Brigadier General with 32 years in Israel's military.

The online database "Who Profits from the occupation" lists six DIC holdings and says they are complicit in the following categories of complicity in Israel's occupation of Palestine:

(1) *Services to settlements:* This includes discriminatory services provided solely to the occupants of Israeli settlements, and not to Palestinians.

(2) *Israeli Construction on Occupied Land:* Israeli housing and infrastructure annex land and resources to Israel, and cut off Palestinians from the same.

(3) *Palestinian Captive Market:* Providing goods/services to Palestinians at high costs, and exploiting Israel's restrictions on Palestinians who cannot purchase them at competitive prices.

(4) *Settlements' Products:* Some Israeli settlements in the occupied territories have businesses, factories or farms that sell products in Israel and/or abroad.

Here are the six DIC holdings cited in "Who Profits." The numbers in parentheses indicate involvement in the

above-listed categories of complicity:

- Cellcom (1,2,3) (See pp.17-18.)
- Property & Building Corp. (1,4)
 - Koor Industries (4)
 - Makteshim Agan Ind. (4)
 - Maxima Air-Separation (4)
 - Shufersal (4)

DIC's links to the world of Israel's military and intelligence are revealed not only in the companies it controls, but in the company it keeps.

Nochi Dankner, DIC's chairman and major shareholder, is a "Major (res.) in the Israel Air Force." And, Nahum Admoni, DIC's external director (1999-2004), was the chief of Israel's secret intelligence agency, the Mossad, between 1982 and 1989. Admoni also served as a director of Banks Hapoalim and Leumi Le'Israel. (See Hapoalim pp.10-11, and Leumi, in table "CPP investments," p.53.)

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