# Lockheed Martin Corp.

## Canada Pension Plan Investments

2012 shares = \$78 million (Direct & indirect investments)

2011 shares = \$5 million (Direct investments only)

ockheed Martin (LM) ranks consistently as the world's single largest war industry. LM has achieved this unparalleled top position by manufacturing such US warplanes as the F-16, F-22 and F-117 fighters, the C-5, C-27J and C-130 cargo aircraft, and the P-3 and U-2 surveillance/spy planes. Its military revenues in 2010 were US\$43 billion, which represents 93% of LM's total income.

LM also consistently ranks as the Pentagon's number one contractor. The company sold US\$237 billion worth of its products and services to a variety of US military departments and agencies between 2000 and 2009. This was 82% percent of its total contracts with the US federal government. LM's four largest US government clients were the Air Force (US\$107 billion), Navy (US\$66 billion), Army (US\$30 billion) and the Missile Defense Agency (US\$3 billion).

Having sold many billions of dollars worth of aircraft, missiles and other weapons systems to Israel, LM is by far Israel's single largest military supplier. Most of these weapons transfers have been paid for by US taxpayers through the Pentagon's Foreign Military Financing program.

Israel currently has over 340 of LM's F-16 warplanes, giving it the largest fleet of these fighter/bombers outside the US. (Israel's F-16 pilots also use LM's Flight and Systems Trainers.) The Israeli Air Force first used F-16s to attack Lebanese targets in 1981. Later that year, eight F-16s bombed an Iraqi nuclear reactor. They were used again during the Lebanon War in 1982. In 2001, Israel contracted LM to build 52 more F-16s and they were used in air strikes against Lebanon in 2006, and Gaza in 2008-2009.

Data on LM's production of F-



16s, obtained by the Coalition to Oppose the Arms Trade (COAT) from the "Government Contracts USA Defense Department" database, reveals that LM received 644 contracts worth over US\$8.9 billion for manufacture of these warplanes between 1999 and 2009.

LM has also received over US\$1 billion for 190 contracts to supply products and services for AH-64 "Apache" attack helicopters. About 50 of these Boeing helicopters have been transferred to Israel from the US. One of LM's major contributions to AH-64 weaponry is the AGM-114 air-to-surface missile. This fire-and-forget weapons system, called "Hellfire," is made by LM's Missile and Fire Control division in Florida.

Robert Fisk reported that in 1996, during Israel's "Operation Grapes of Wrath" air attacks against Lebanon, the Israeli air force killed six civilians when an Apache helicopter fired two Hellfire missiles at an ambulance. In 2004, the Guardian newspaper reported that Israel used a Hellfire missile to kill a Hamas leader, his bodyguards and nine bystanders. Then, during the "Operation Cast Lead" bombardment of Gaza in 2006, "Israeli air force sources told *Ha'Aretz* (2/9/09) that over 1,000 Hellfire and Orlev missiles were fired by Israeli helicopters."

LM's 2000-2009 contracts for F-15 fighter/bombers were relatively small, amounting to only US\$36.6 million. Most of these tenders were recorded as covering "Miscellaneous Weapons" (US\$22 million), or "Aircraft Gunnery Fire Control Components" (US\$7.5 million).

When the US Department of

Defense reporting on two large US weapons-export packages requested by the Israeli government, it stated that among the "principal contractors" would be Lockheed Martin and Honeywell. The sales were to include tens of thousands of "live bombs" and "live fuze components." (For more details, see "Honeywell" in the previous issue, pp.39-40.)

In 2005, Reuters reported that Israel was buying 100 GBU-28 "bunker-busting" bombs made by Lockheed Martin. Israel became the first foreign recipient of these 5,000 pound "Guided Bomb Units" (GBUs). In July 2006, Israel requested that the delivery of these GBU-28s be speeded up. The US complied and the bombs reached Israel just in time for its bombing campaign against Lebanon. These bombs are manufactured by LM but were designed by Texas Instruments. (See pp.39-40.)

Israel's arsenal also includes GBU-12 and GBU-16 ("Paveway II") bombs, which carry 500-lb and 1000-lb warheads respectively. Israel has imported more than 4,000 of these US bombs made by LM and Raytheon.

Israel's military also has about fifty M270 Multiple Launch Rocket Systems (called "Menatetz") made by Lockheed Martin Missiles and Fire Control. This armored, highly-mobile, self-propelled rocket artillery system was used by Israel against Lebanon in 2006. The system can fire a variety of surface-to-surface rockets including the M26 which carries 644 separate M77 anti-personnel/anti-materiel grenades. The M26 can travel 32 kilometres before releasing its M77 submunitions. By exploding a single M26 cluster



### LM also manufactures the M270 Multiple Launch Rocket System.

The M270 fires
M26 cluster bombs
that travel up to 32 km
before dispersing
644 submunitions
which then saturate
a square-kilometre
with "Steel Rain."



bomb in mid-air over the target area, a whole square-kilometer of space is saturated with 644 deadly submunitions. This weapon, which was referred to as "Steel Rain" by survivors of the 2003 Iraq War, is now banned by 71 countries thanks to the Convention on Cluster Munitions. Among the countries that have not ratified this treaty are Canada, the United States and Israel.

In 2008, the US government approved the US\$22 billion export of 25 of LM's F-35 warplanes to Israel, with an option for 50 more later. Israel will be the first non-NATO country to receive these stealth fighter bombers.

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# Microsoft

# Canada Pension Plan Investments

2012 shares = \$367 million (Direct & Indirect investments)

2011 shares = \$105 million (Direct investments only)

ith 2011 revenues reaching US\$70 billion and total assets of US\$108 billion, this computer behemoth is the world's largest software manufacturer. Meanwhile, Microsoft's co-founder and current chairman, Bill Gates, consistently ranks among the world's richest men.

Israel has an key role in the Microsoft empire. While the company makes US\$120 million in annual sales in Israel, Gates has proclaimed that country to be on the "cutting edge of world technology." Founded in 1989, Microsoft Israel (MI) is the firm's largest R&D Centre outside the US. Gates has praised MI saying Microsoft is "super-satisfied with the contributions of our R&D center in Haifa."

Gates explains that "there are specialists in Israel in fields like information security who get much of their experience from their service in the army." Consider long-time MI executive Moshe Lichtman. A 2011 *Haaretz* article says Lichtman "served in a Phantom [F-4 warplane] squadron, and...carried out attacks on Lebanon." "I took part in all sorts of operations," he said of missions in the 1982 war when Israel invaded Lebanon.

Lichtman also described MI's Zionist agenda: "I am not ashamed to say that one of the center's objectives is also Zionist. It has helped draw Jews back to Israel – high-tech people...."

MI's political stance sparked controversy for Microsoft in 2002 when it erected billboards using Microsoft's logo and the text "From the depth of our heart – thanks to The Israeli Defence Forces" [IDF] against a backdrop of Israel's flag. Adam Keller, spokesperson for Israeli peace group Gush Shalom, wrote in protest to Bill Gates to denounce Microsoft for

"disseminating crude nationalistic and militaristic propaganda at Israeli population centers, and effectively