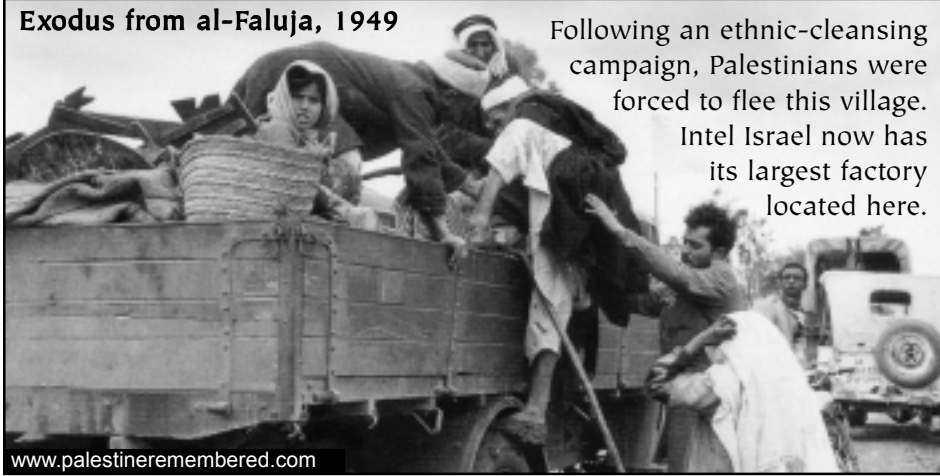


Exodus from al-Faluja, 1949



www.palestineremembered.com

Following an ethnic-cleansing campaign, Palestinians were forced to flee this village. Intel Israel now has its largest factory located here.

“[c]ritics say there is no reason for taxpayers to be subsidizing a wealthy multinational.” However, it does not mention the controversy that Intel’s factory is occupying stolen Palestinian land.

Ethnic Cleansing at Qiryat Gat

Qiryat Gat was not in the Palestinian territories conquered by Israel in the 1967 war. Instead, it was part of the “Faluja pocket,” a small enclave that Egyptians troops defended from capture by Israeli forces in the 1948 war.

When Israel signed the 1949 Armistice Agreement, it guaranteed the rights of citizens in the “Faluja pocket.” Letters between Dr. Walter Eytan, who led the Israeli delegation, and Dr. Ralph Bunche, an American who was the UN Mediator on Palestine, said the “civilian population... shall be fully secure in their persons, abodes, property and personal effects.” Within weeks, Israel reneged on this promise and the Palestinians were driven out in a deliberate, ethnic-cleansing campaign.

Bunche, who won the Nobel Peace Prize in 1950, quoted UN observers saying that “Arab civilians...at Al-Faluja have been beaten and robbed by Israeli soldiers.” There were also attempted rapes and the Israelis were “firing promiscuously” at Arab civilians. Israeli historian Benny Morris called it a “short, sharp, well-orchestrated campaign of low-key violence and psychological warfare designed to intimidate the inhabitants into flight.” A survivor said Israeli forces “created a situation of terror, entered the houses and beat the people with rifle butts.”

As a result, 3,000 inhabitants of two villages within the “pocket” were driven out and all their buildings were destroyed. One village, Iraq Al Manshiya had about 300 homes, two mosques and a school. Four months

later, in July 1949, Israel’s then-foreign minister, Moshe Sharett, wrote:

“It is not possible in every place to arrange what some of our boys engineered in Faluja [where] they chased away the Arabs after we signed an ...international commitment.”

Sharrett also described a “whispering propaganda campaign among the Arabs, threatening them with attacks and acts of vengeance by the army.” This, he said, was a

“calculated action aimed at increasing the number of those going to the Hebron Hills as if of their own free will, and, if possible, to bring about the evacuation of the whole civilian population [of Faluja].”

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Israel Corp.

Canada Pension Plan Investments

2012 shares = \$3 million
(Direct & indirect investments)

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

With net profits of US\$461 million in 2010, Israel Corp. is the country’s largest holding company and one of the top ten on the Tel Aviv Stock Exchange. It was founded in 1968 by the State of Israel which privatised the following year.

A controlling interest was purchased by Saul Eisenberg who is widely reported to have used his business connections to assist Israel’s intelligence agency, the Mossad. Former Mossad officer Victor Ostrovsky said Eisenberg “was the Mossad’s tie in with China. He and his people were doing considerable armament dealing....”

After his death in 1998, Eisenberg’s family sold its shares to the Ofer, Israel’s richest family, and by 2007 they owned 55%. Amid a 2011 scandal about Israel Corp ships visiting Iran, Richard Silverstein, a prominent Jewish-American blogger, reported that Ofer Brothers, which has a controlling interest in Israel Corp.,

“transported Mossad agents on secret missions to Iran during the dozens of illegal visits its ships made to that country.... The company claims ...that it had government permission to engage in this trade....

[T]he Mossad clearly was exploiting ...the Ofer Brothers for purposes of espionage and possibly even terror...inside Iran. [I]t appears that Ofer Brothers...may in effect be an intelligence asset. ...[I]t is so intertwined with the military-intelligence apparatus that there is in effect little or no distinction between the two.”

Israel intelligence connections have also reached into the firm’s board room. Yaacov Amidror, a Major General in the reserve forces, served in Israel’s military for 36 years, “primarily in Intelligence, specializing in strategic planning, counterterrorism and international policy.” Amidror was appointed to the board of Israel Corp. in

2007, but in late 2010, he left to head Israel's National Security Council and become the Israeli Prime Minister's national security advisor. Prior to joining Israel Corp., Amidror was commander of two Israel war colleges and led research in Israeli military intelligence.

Since 2007, Israel Corp's President/CEO has been Lieutenant Colonel Nir Gilad, a helicopter pilot in Israel's reserves. Gilad is on the boards of subsidiaries Zim, TowerJazz, Israel Chemicals Ltd. and Rotem Amfert Negev. Gilad has also held top positions in Israel Aerospace Industries, the country's largest state-owned war industry. (See previous issue, pp.48-49.)

In 2006, Israel's Movement for Quality Government petitioned the country's high court to "open a criminal investigation into the actions of Nir Gilad," who was made Deputy CEO of Israel Corp., "shortly after playing an instrumental role as Government Accountant General in granting massive payments to the Israel Corp...."

Better Place

This electric-car infrastructure company (31.5% owned by Israel Corp.) was launched in Israel this year. (See "Renault," pp.31-32.) With retired Israeli Major General Moshe Kaplinsky as its CEO, Better Place Israel is expected to make major inroads into equipping the Israeli military's fleet of cars and other vehicles. Prior to becoming second in command of the Israel Defense Forces' (IDF) General Staff, Kaplinsky led IDF Central Command, and oversaw operations throughout the occupied West Bank. In 2006, he coordinated the bombing of Lebanon. A Harvard University student group noted that "Under Kaplinsky's command, the Israeli military fired more than 3.5 million cluster bombs in the last three days of the war." This was 90% of all the cluster bombs used by Israel in that war.

Israel Chemicals Ltd. (ICL)

Israel Corp. owns 52.5% of this multinational which produces fertilizers, metals and special-purpose chemicals. ICL was formed in 1968 as a state-owned conglomerate of Negev-desert mining firms. Although privatized in the early 1990s, Israel's government still has a "Special State Share" giving it certain veto rights.

Israel's top holding company controls several former, state-owned firms, like Israel Chemicals Ltd. It owns the uranium extraction plant next to Dimona which whistleblower Mordecai Vanunu exposed in 1986 as Israel's nuclear weapons facility.



Rotem Amfert Negev, a wholly-owned ICL subsidiary, extracts uranium from 5.5 million tons of phosphate that it mines annually in the Negev. Extraction is done at a plant adjacent to the Negev Nuclear Research Center, near Dimona. In 1986, Israeli whistleblower Mordechai Vanunu exposed Dimona as a nuclear weapons facility where plutonium for Israeli nuclear bombs is reprocessed from spent reactor fuel. Vanunu also revealed that Dimona was used to chemically separate depleted uranium for Israeli armor, bullets, artillery shells and bombs. He was kidnapped by the Mossad and jailed in Israel for 18 years, 11 in solitary.

TowerJazz

TowerJazz was founded in 1993 when Israel Corp. paid \$250 million for Tower Semiconductor. Israel Corp. now owns 30.5% of TowerJazz. With two world-class fab centres in Israel and one each in the US and Japan, this Israeli firm makes semiconductors for many military uses. Its specialties include "key elements" in "military detectors, sensors, and imaging systems," like night-vision technologies, for army, navy, air force and space-based use.

Zim Integrated Shipping Services

Zim, which is 99.5% owned by Israel Corp., is Israel's largest cargo shipping firm, and 10th largest in the world. Founded in 1945, Zim was state-own-

ed until 2004. Its first ships moved hundreds of thousands of Jewish settlers to Israel. Citing *Encyclopaedia Judaica*, the Jewish Virtual Library says that some of Zim's vessels "were used to form the Israel navy." A company history says that in the 1948 war, Zim ships supplied "arms and ammunition" to Israel. Zim provided military shipping services in the 1973 Arab-Israeli War, and "has continued to play this crucial role every time Israel faced conflict." (See "Hyundai Heavy Industries" in previous issue, pp.41-42.)

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