

Israel Discount Bank

Canada Pension Plan Investments

2012 shares = \$2 million
(Direct & indirect investments)

2011 shares = \$2 million
(Direct investments only)

With assets of just over US\$5 billion, the IDB is the third largest bank in Israel, behind Leumi Le'Israel and Bank Hapoalim. (See this issue, pp.13-14, and previous issue, pp.10-11.) The IDB website says its "story parallels the history of the State of Israel." This IDB version of history includes the bank's creation in 1935 by "Leon Recanati, leader of the Zionist movement in Greece," but neglects its key role in some key historic events. Cleanse IDB history are the 1983 banking scandal in which bankers manipulated their stock prices. This led to the Israeli government's takeover of IDB, the fraud indictment of Recanati's son, Raphael, and 16 other bankers in 1991.

After selling most of its IDB stock in 2006 and additional shares in 2010, Israel's government now owns only 20% of IDB.

Gilat Satellite Networks

IDB is intimately tied to Israel's military industrial complex through the IDB Holding Corp., which has large stakes in various Israeli war-related companies. For instance, IDB is a key shareholder and creditor for Gilat Satellite Networks which proudly serves various spy agencies and armed forces, including Israel's military.

The "Who Profits from the occupation" database, compiled by Israel's Coalition of Women for Peace, reveals that Gilat antennas "are installed in military checkpoints in the West Bank." This is illustrated with photos from two checkpoints in the occupied West Bank, namely Atara/Birzeit and Beit Iba.

Gilat also created a "man-portable satellite communications system" for Israel's army to allow "front-line infantry to transmit and receive fully-

Gilat satellite dish at the Atara/Birzeit military checkpoint, near Ramallah, in the West Bank.



Through its top executives, and its investments in companies like Gilat, the IDB is intimately connected to Israel's military-industrial complex. The IDB has also financed illegal building projects in the occupied territories, and has a subsidiary with branches in the West Bank.

encrypted voice, video and other bandwidth-intensive data." For this, Gilat teamed with Elbit Systems, Israel's top war industry. (See previous issue, pp.28-29.)

Gilat was founded, says Forbes Israel, by members of Unit 8200, the Israeli military intelligence agency which is akin to the US National Security Agency. Three of Gilat's executives have been Brigadiers General in Israel's armed forces:

- Haim Benjamini served "in the paratroops and army intelligence."
- Pinchas Buchris led the military's "largest technology information gathering unit, the Central Unit of Technology Intelligence" and was general manager of Israel's Ministry of Defense (2007-2010)
- Moshe Tamir was the Golani Brigade Commander (2001-2003); General Command Chief of Staff

(2004-2006) and Division Commander (2006-2009).

IDB also invests in other Israeli high-tech military-related firms through Vertex Venture Capital. (See previous issue, pp.50-51.)

Profiting from Occupation

As documented in "Who Profits," the IDB and its full subsidiary, Mercantile Discount Bank, have branches in several settlements in the occupied West Bank. The IDB also has subsidiaries in occupied East Jerusalem.

"Who Profits" also notes that the IDB has financed the construction of illegal building projects in several West Bank settlements. And, IDB is a major shareholder in Mul-T-Lock, whose factory is located in an illegal West Bank settlement. IDB also contracts the computer services of Matrix IT which has a call center in the West-Bank.

IDB Executives

Several IDB executives have played key roles in Israel's military-industrial complex.

The bank's external director, Ilan Biran, a former Israeli major general was former chief executive of Israel's Ministry of Defense, and chair of state-owned Israeli war industry, Rafael. (See previous issue, p.49.)

Yossi Ciechanover, who was Director General of Israel's Foreign Affairs Ministry, and then headed Israel's "Defense Mission" to the US and Canada, was a top lawyer for Israel's Defense Ministry before becoming a director of IDB Holding Corp.

And, the two deputy chairmen of IDB Development Corp. are now officers in Israel's military reserves:

- Major Zvika Livnat, who is also an executive vice president of IDB Holding Corp., and on the boards of Nesher Israel Cement Enterprises and Makhteshim Agan Industries, which are two holdings of the Discount Investment Corp. (See previ-

ITT Corp.

ous issue, p.25.)

- Lt. Col. Avraham Fischer, who serves with Israel's armored corps, is also the IDB Holding Corp's executive vice president, and a former director of Elbit Systems. (See previous issue, pp.28-29.)

Another Israeli military leader linked to the IDB is retired Israeli Brigadier General Yiar Cohen. He "joined the IDB Group in 2005" and "serves as a Director at several IDB Group companies." He is also a director "at several of Elron's group companies" and at ECTel Ltd., a subsidiary of Verint, one of Israel's top mass surveillance firms. (See previous issue, pp.43-47.) Just prior to taking up all these directorships, Cohen was in charge of "special unit 8200, the central military intelligence unit of the Israeli Defense Force."

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Canada Pension Plan Investments

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

2011 shares = \$1 million
(Direct investments only)

With half of its 2010 revenues coming from military sales (US\$11.6 billion), ITT is now the world's 14th largest war industry. This diversified, US-based manufacturing company, with assets of US\$12 billion in 2010, has consistently ranked within the world's top 30 war industries since 1999.

ITT sold US\$20 billion worth of products and services to various US military departments and agencies between 2000 and 2009. This represented 96% of its contracts with the federal US government. ITT's sales to the US military placed it on the annual list of top-20 Pentagon suppliers throughout the 2000s. Its overall rank among the top 100 contractors during that decade was #14.

During WWII, two ITT subsidiaries in Germany helped arm the Nazis, namely, The Lorenz Co., which built Focke-Wulf fighter aircraft and Huth & Co., which built radar and radio components. Astonishingly, ITT received US\$27 million in compensation for damage caused by Allied bombing of its Focke-Wulf factory in Germany!

ITT's vice president, Kathleen Stolar, admitted in May 2007 that ITT manufactured "battlefield communication radios" for Israeli troops and was supplying the Israeli military with "intensifier tubes for night vision goggles." These goggles are used by pilots, copilots and crews of various Israeli warplanes and military helicopters. Just two months earlier, ITT had been fined US\$100 million, under the Arms Export Control Act, for illegally exporting secret US night-vision technology to China, Singapore and Britain. Prosecutors said ITT engaged in a "regular pattern of export violations and misrep-

resentation" to the U.S. government between 1980 to 2005.

The Jewish Virtual Library (JVL) website describes ITT Aerospace as a "company with long experience in Israel." It quotes the firm's president and general manager, Marvin Sambur, as saying that "Israel's military needs make it a good market." The JVL also reported that ITT "sold military radios to the Israel Defense Forces," and says:

"Since Israel uses a lot of the same equipment as the U.S. Army, which ITT supplies, Sambur looks forward to doing more business in Israel in the future."

In 2004, ITT awarded a multi-year contract to Israel's Star Night



"Li-Or"

ITT contracted Israel's Star Night Technologies to produce Li-Or night sights for Israel's army. Li-Or sights are used on "Tavor" assault rifles.



"Tavor"

Technologies (SNT) and its US-based subsidiary, Star Night USA, to produce "miniature night sights for the Israeli Ministry of Defense." Israel's *Globes* business paper, reported that SNT manager Avraham Sagie said this "agreement was the first part of a large order, which...would stretch over the next four years, and amount to [US]\$30 million."

Globes also noted that SNT developed the "Li-Or" night sight, which is "designed for urban warfare," and is used with Israeli Military Industries' "Tavor" assault rifle. According to Star Night's website, "Li-Or"

"mini night sights are small, compact, lightweight and exceptionally easy to operate.Li-Or sights enhance sharpshooter and sniper performance in field and urban night operations, and are mountable on a wide variety of weaponry."