



## **What is Caterpillar (CAT)?**

Caterpillar is the world's largest manufacturer of construction and mining equipment. Created in Illinois in 1925, the company's profits are estimated to be around 40 billion dollars in 2010.<sup>1</sup> Active in over 200 countries, the United States government is one of CAT's largest customers. Through the "U.S. Foreign Military Sales" program, the United States has an agreement with CAT to sell several bulldozers to the Israeli Occupation Forces. The United States buys the bulldozers from CAT and then sells them to the Israeli army through the Israel Tractor Equipment (ETI) company. The bulldozers are subsequently militarized by Inrob Tech, an American company based in Israel.

## **Why Boycott Caterpillar?**

By selling equipment to the Israeli Forces, the Caterpillar corporation is directly involved in serious violations of human rights and humanitarian law perpetrated by Israel. The importance of these bulldozers in Israel's military strategy is crucial. The commander of the Israeli army qualified Caterpillar equipment as "key weapons" in maintaining the occupation of the West Bank and the Gaza Strip.<sup>2</sup> These bulldozers – now considered weapons – enable the demolition of agricultural land and houses in order to destroy Palestinian property. From September 2000 to March 2006, the World Health Organization (WHO) had already documented the uprooting of more than 1,389,190 olive, date, plum, lemon and orange trees, causing significant environmental and economic impacts for hundreds of Palestinians who depended on these resources to survive.<sup>3</sup> Since 1967, CAT bulldozers have destroyed more than 12,000 homes and businesses in the Gaza Strip, West Bank and East Jerusalem, affecting more than 50,000 Palestinian who were left homeless. Of these, more than 3,000 homes have been destroyed since 2003, evidence of the intensification of the destruction during the last decade.<sup>4</sup>

In addition to destroying land and homes, CAT equipment is also used to kill civilians who do not have time to evacuate their homes, since the demolition is often done at night and without advance notice. The Israeli army has, in fact, pursued the destruction of homes while being fully aware that some residents were still inside. For example, Nabila al-Shu'ba, 7 months pregnant, and her three young children died under a CAT bulldozer on April 6, 2002.<sup>5</sup> In March 2006, Rachel Corrie, a young American peace activist of 23 years tried to stop a bulldozer during a nonviolent protest in Rafah. She lost her life after being trapped under the rubble and run over by the bulldozer.<sup>6</sup>

Israel sometimes seeks to justify these acts as punishment against the family homes of Palestinians involved or suspected of being involved in military activities against Israel. Even if such a justification were legal, a report by B'Tselem and quoted by the UN shows that 47% of houses destroyed were not the homes of Palestinians suspected of involvement in military activities.<sup>7</sup>

The acts committed with the Caterpillar bulldozers are illegal under Article 52 (1) of the First Additional Protocol to the Geneva Conventions. This article requires special protection to civilian property by stating that "the attack must be limited strictly to military objectives" and that "in case of doubt whether an object which is normally dedicated to civilian purposes, such as [...] a house [...], is being used to make an effective contribution to military action, it shall be presumed not to be so."<sup>8</sup> Furthermore, Article 57 obliges State parties to ensure "that constant care shall be taken to spare the civilian population, civilians and civilian objects."<sup>9</sup>

Caterpillar bulldozers are also used to build Israel's Wall: a wall built inside the West Bank, resulting in the confiscation of even more Palestinian homes, farms and water reserves.<sup>10</sup> The Wall and its construction were deemed illegal in a scathing decision by the International Court of Justice in 2004.<sup>11</sup>

The boycott strategy against Caterpillar is also bolstered by the fact that, in July 2005, more than 170 Palestinian civil society organizations issued a call asking the international community to boycott Israel in order to promote recognition of the Palestinians' right to self-determination. The objective of this boycott call is to counter any economic advantages for institutions dealing with Israel or participating in the

Israeli military occupation of Palestinian territories. Thus Caterpillar, as a beneficiary of the sale of its bulldozers to the Israeli army, should be targeted by the boycott.

## How has CAT responded to calls for boycott action against it?

Caterpillar denies that it has links with the Inrob Tech Company and justifies itself as a simple seller of construction equipment. The company claims that it does not have anything to do with the construction equipment after it is sold. However, as explained by the Middle East director of the Human Rights Watch “Caterpillar betrays its stated values when it sells bulldozers to Israel knowing that they are being used to illegally destroy Palestinian homes. Until Israel stops these practices, Caterpillar’s continued sales will make the company complicit in human rights abuses.”<sup>12</sup>

Since Caterpillar cannot deny being aware of the usage made out its equipment, it is in repeated violation of the *United Nation norms on the responsibilities of transnational corporations and other business enterprises with regards to human rights*, which states in Article C, Section 3 that it is illegal for any company to benefit from violations of international law and other international crimes against the human person as defined by international law. According to Article E11, the company also has the responsibility to “ensure that the good and services they provide will not be used to abuse human rights.”<sup>13</sup>

Finally, in addition to deviating from international law, the sale of CAT products to the Israeli army goes against its own Worldwide Code of Conduct. Many sections of the code of conduct suggest that Caterpillar should ban sales to the Israeli army, including the “commitment” section, which states that “Caterpillar investments must be compatible with [...] rights and properties of citizens of other nations.”<sup>14</sup> Yet, despite being aware of the violations of international law made by Israel, CAT still pursues sales of bulldozers used to destroy Palestinian property. CAT’s code of conduct also requires full transparency and continuous communication with its shareholders and the public. But in 2004, Caterpillar shareholders specifically requested that members of the Administrative Council form a committee of inquiry to determine if the sales (direct or indirect) of CAT equipment to the Israeli Army meet the company’s worldwide code of conduct. Caterpillar refused any investigation into the matter.

## In what ways can I pressure CAT to join the boycott?

CJPME’s boycott campaign is calling upon all individuals and members willing to put pressure on the Israeli government to withdraw from the occupied Palestinian territories. All concerned citizens should visit the CJPME Website for additional tools to pressure CAT to join the boycott

- CJPME encourages individuals to use the resources in the CAT section of its BDS Website ([www.cjpme.org/consumerboycott.htm](http://www.cjpme.org/consumerboycott.htm)) to send their complaints and questions to the executive board of Caterpillar. The section also has letters and other resources ready for use.
- Also, a mechanism to bring together shareholders of Caterpillar Inc. is set up at [www.cjpme.org/bds.htm](http://www.cjpme.org/bds.htm) to prepare for possible shareholders-based initiatives to pressure CAT.

<sup>1</sup> “UPDATE 2-Caterpillar profit tops view, raises forecast,” Reuters, Jul 22, 2010, Accessed July 29<sup>th</sup> 2010

<sup>2</sup> Ben David, Alon, “Israel – Double Jeopardy,” Jane’s Defence Weekly, November 17<sup>th</sup>, 2004

<sup>3</sup> “Health conditions in the occupied Palestinian territory, including east Jerusalem, and in the occupied Syrian Golan: progress report,” World Health Organization, May 22, 2006, p. 9. See also “Health conditions of, and assistance to, the Arab population in the occupied Arab territories, including Palestine,” World Health Organization May10<sup>th</sup> 2002, p. 19

<sup>4</sup> Summary data extracted from petition to Caterpillar by Jewish Voice for Peace. Comparable data also available from, “Statistics on House Demolitions (1967-2009),” Israeli Coalition against House Demolitions, <http://icahd.org.dolphin.nethost.co.il/wordpress/wp-content/uploads/2010/05/statistics-english.pdf> Accessed on July 29<sup>th</sup> 2010

<sup>5</sup> “Israel and the Occupied Territories Under the rubble: House demolition and destruction of land and property. Executive Summary,” Amnestie Internationale, May 2004, p. 5, MDE 15/040/2004

<sup>6</sup> “Military investigator testifies that head of IDF Southern Command instructed bulldozer operator not to cooperate with investigation,” Rachel Corrie Foundation, March 24, 2010.

<sup>7</sup> “Through No Fault of Their Own: Punitive House Demolitions during the al-Aqsa Intifada,” B’tselem (The Israeli Information Center for Human Rights in the Occupied Territories) Information Sheet, Nov., 2004

<sup>8</sup> Protocol I Additional to the Geneva Conventions of August 12<sup>th</sup> 1949, relating to the protection of victims in international armed conflicts

<sup>9</sup> *Ibid*

<sup>10</sup> To learn more, please see CJPME Factsheet No. 03 The Apartheid Wall, March 2004

<sup>11</sup> “Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory: Summary of the Advisory Opinion of 9 July 2004,” International Court of Justice, July 9<sup>th</sup>, 2004, p. 13

<sup>12</sup> *Israel: Caterpillar Should Suspend Bulldozer Sales*, Human Rights Watch, November 21<sup>st</sup> 2004

<sup>13</sup> United Nations: Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights. E/CN.4/Sub.2/2003/12/Rev.2

<sup>14</sup> “Code of conduct”, Caterpillar, <http://www.cat.com/code-of-conduct>