

# CATERPILLAR

## TIAA CREF investments in Caterpillar

\$236,857,589, out of which \$25,085,427 are invested in socially-responsible investment funds (data as of March 31, 2010 ).<sup>1</sup>

## What do they do?

Caterpillar bulldozers are fully connected to the uprooting of olive trees and the demolishing of Palestinians homes, the construction of Jewish-only settlements and the Apartheid Wall, and the killing and



Palestinians flee from a Caterpillar D-9 demolishing a home in Rafah, 2004.  
(Photo: Khalil Hamra)

maiming of activists that stand nonviolently in the path of the destruction.<sup>2</sup>

The use of Caterpillar equipment to violate Palestinian human rights has been extensively documented in a good number of human rights reports. It is striking how Caterpillar chooses not to listen.

Back in 2004, Amnesty International asked Caterpillar to take measures to guarantee that its bulldozers are not used by Israel to commit human rights violations.<sup>3</sup> That same

<sup>1</sup> [College Retirement Equities Fund , Unaudited Schedules of Investments, March 31, 2010, TIAA-CREF Funds, Schedules of Investments \(Unaudited\), March 31, 2010, TIAA-CREF Life Funds, Unaudited Schedules of Investments, March 31, 2010, and TIAA Separate Account VA-1, Unaudited Schedule of Investments, March 31, 2010](#)

<sup>2</sup> See some examples here: [Israel's Human Rights Violations Facilitated by the Use of CAT Bulldozers](#). US Campaign to End the Israeli Occupation.

<sup>3</sup> [Israel and the Occupied Territories: Under the rubble: House demolition and destruction of land and property](#). Amnesty International, May 17, 2004

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“Forced evictions and house demolitions are usually carried out without warning, often at night, and the occupants are given little or no time to leave their homes. Sometimes they are allowed a few minutes or half an hour, too little to salvage their belongings. Often the only warning is the rumbling of the Israeli army’s bulldozers and tanks and the inhabitants barely have time to flee as the bulldozers begin to tear down the walls of their homes. Thousands of families have had their homes and possessions destroyed under the blades of the Israeli army’s US-made Caterpillar bulldozers. In the wake of the demolitions men, women and children return to the ruins of their homes searching for whatever can be salvaged from under the rubble: passports or other documents, children’s schoolbooks, clothes, kitchenware or furniture which were not destroyed.”

-- Amnesty International  
[MDE 15/033/2004](#)

year, Human Rights Watch recommended that Caterpillar suspend the sales of D9 bulldozers, parts, or maintenance services to the Israeli army.<sup>4</sup> A year later, War on Want recommended a boycott of Caterpillar products, including construction equipment, footwear, clothing, as well as other merchandise such as miniature Caterpillar vehicles, watches, mugs, bags and stationery.<sup>5</sup> Caterpillar has been the target of shareholder resolutions and protests every year since 2004.

The office of the United Nations High Commissioner for Human Rights sent a letter to Caterpillar warning the company that the sale of its bulldozers to Israel "might involve complicity or acceptance on the part of your company to actual and potential violations of human rights, including the right to food."<sup>6</sup>

Caterpillar has been the target of a lawsuit on behalf of the family of activist Rachel Corrie -- who was killed by a D9 bulldozer -- and four Palestinian families whose homes were demolished.<sup>7</sup>

Back in 2008, both Methodists<sup>8</sup> and Presbyterians<sup>9</sup> in the U.S. considered divesting from Caterpillar, and in fact the Presbyterian Church will consider once again divestment from Caterpillar at its July 2010 General Assembly.<sup>10</sup>

“I had no mercy for anybody. I would erase anyone with the D9 ... when I was told to bring down a house, I took the opportunity to bring down some more houses ... They were warned by loudspeaker to get out of the house before I came, but I gave no one a chance. I didn’t wait. I didn’t give one blow and wait for them to come out. I would just ram the house with full power, to bring it down as fast as possible.”

-- [Moshe Nissim](#),  
a bulldozer operator  
in the Jenin Refugee Camp

<sup>4</sup> [Razing Rafah: Mass Home Demolitions in the Gaza Strip](#). Human Rights Watch, Oct 17, 2004

<sup>5</sup> [Caterpillar. The Alternative Report](#). War on Want, Mar 2005

<sup>6</sup> [The UN vs. Caterpillar](#). Haaretz, Jun 16, 2004

<sup>7</sup> [Corrie et al. v. Caterpillar](#). Center for Constitutional Rights.

<sup>8</sup> [Understanding United Methodist Divestment](#).

<sup>9</sup> [Presbyterian Divestment from Caterpillar: Keeping Hope Alive](#).

<sup>10</sup> The church will consider [an overture from the Presbytery of Newark](#) and [an overture from the Presbytery of San Francisco](#), both of which call for divestment from Caterpillar.

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The students at Evergreen College voted overwhelmingly to make their campus CAT-free,<sup>11</sup> and other campuses are likely to follow suit.

**And yet Caterpillar does not get the message.**

Caterpillar itself has acknowledged that it sells bulldozers under the U.S. Foreign Military Sales Program--in other words, it sells these bulldozers as weapons.

Caterpillar claims that it does not manufacture or sell weapons. This is not true. After all, the company acknowledges that it sells "a limited quantity of commercial equipment, as well as commercial equipment that has been modified for military purposes (Modified Equipment), to foreign governments



predominantly under federally sponsored programs — most notably the Foreign Military Sales Program (Program).<sup>12</sup>

Caterpillar's sale of bulldozers to Israel have negligible economic value to the company.<sup>13</sup> This makes its refusal to heed the call of human rights activists and people of conscience throughout the world all the more unnerving.

<sup>11</sup> [TESC-Divest](#)

<sup>12</sup> Caterpillar's Notice of Annual Meeting of Stockholders, May 2, 2008, p 20

<sup>13</sup> As an example, in 2007 Caterpillar's sale of equipment and 'modified equipment' to foreign governments via the US Military Sales Program amounted only to \$3.7 million in revenue. Add to that less than \$2.3 million of sales to foreign governments via Caterpillar dealerships, and you get a measly \$6 million, or 0.013% of the company's 2007 gross revenues of \$44.96 billion. Bear in mind that this amount reflects Caterpillar's military sales to ALL foreign governments, not only Israel (Caterpillar's Notice of Annual Meeting of Stockholders, May 2, 2008, pp 20-21). In 2008 Caterpillar's sale of equipment to foreign governments via the US Military Sales Program totaled \$18.9 millions and via Caterpillar dealerships an additional \$11.9 million. Both numbers amount to only 0.06% of Caterpillar's 2008 of \$51.324 billions. (Caterpillar proxy statement, 2009).

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Outgoing Caterpillar's CEO went as far as to recommend divesting to those shareholders not satisfied with the company's policies.<sup>14</sup> The time has come to take him at his word.

## Where is Caterpillar?

- The company is headquartered in 100 NE Adams Street Peoria, Illinois 61629
- Caterpillar has dealerships all across the United States. You can find a list here.<sup>15</sup>
- Caterpillar has offices and facilities in 23 countries around the world.<sup>16</sup>
- Shareholder meetings are held annually in early June in Chicago.



## Additional resources

[WhoProfits.org](http://WhoProfits.org)

[Caterpillar](#). The Electronic Intifada

[The Israeli Committee Against Home Demolitions](#)

[The Rachel Corrie Foundation for Peace and Justice](#)

[Campaign of the Month: Stop CATerpillar](#).

War Resisters' International, Dec 1, 2007



<sup>14</sup> [Caterpillar CEO Says, "Don't like CAT's practices? Then DIVEST."](#) US Campaign to End the Israeli Occupation, Jun 2009

<sup>15</sup> [Caterpillar's Global Dealer Network](#) or try [Find a Dealer](#)

<sup>16</sup> [Caterpillar's Offices and Facilities](#)