

Divest from Caterpillar for Rejecting UN Guiding Principles and Supplying Weapons

The United Methodist General Conference 2012 asked that “all United Methodist general boards and agencies prayerfully consider advocating that all companies formally recognize and adopt into their codes of conduct the United Nations Guiding Principles on Business and Human Rights (also known as the Ruggie Principles). Caterpillar Corporation has refused a direct request by the General Board of Pensions and Health Benefits to sign the UN Guiding Principles.

The United Methodist Book of Discipline’s statement on Socially Responsible Investments says “The boards and agencies are to give careful consideration to shareholder advocacy, including advocacy of corporate disinvestment” (§717, The Book of Discipline 2012.) Further, the United Methodist Church opposes Israel’s occupation of the West Bank and Gaza Strip (Resolution #6111, “Opposition to Israeli Settlements in Palestinian Land,” The Book of Resolutions 2012).

Caterpillar, Inc. machines are used by the Israeli government and by the Israeli military for the demolition of Palestinian houses and water supplies in the occupied Palestinian territories, the construction of the Separation Wall, construction of settlements and settlement infrastructure on Palestinian land, the uprooting of olive trees, creation of roadblocks, and as weapons (“Facts on the Ground: Heavy Engineering Machinery and the Israeli Occupation Report,” Who Profits Research Center, July 2014).

Caterpillar’s D9 bulldozers favored by Israel’s military are not the familiar equipment used for farming or for municipal projects, but rather are two-story machines weighing 54 kilos/60 tons with a front blade more than 1.8 meters/6 feet high and 4.5 meters/15 feet wide and a claw-like hydraulic “ripper” in the back, as well as gun turrets (The Caterpillar Campaign, US Campaign to End the Israeli Occupation, http://www.endtheoccupation.org/downloads/CAT_1-2006.pdf). In fact, an Israeli military commander referred to Caterpillar bulldozers as “the key weapon” in its military occupation of the West Bank and the Gaza Strip (Alon, Ben David ‘Israel-Double Jeopardy,’ Janes Defence Weekly, 11/17/04). Israeli Defense Minister Shaul Mofaz has declared, “The D-9 is a strategic weapon here.” (www.btselem.org/Download/200101_Civilians_Under_Siege_Eng.doc).

Caterpillar machines have been used in the killing of Palestinian civilians, including a pregnant woman, a paraplegic, an elderly paralyzed man, and families including children (<http://www.apnewsarchive.com/2002/Bodies-Recovered-in-Nablus-Rubble/id-d7216a4b0417bdcf9c2beac8a5a7e554>). An American peace activist, Rachel Corrie, was killed by a Caterpillar bulldozer as she tried to protect a Palestinian home from demolition. (<http://rachelcorriefoundation.org/>)

Caterpillar sells its military equipment to Israel through the US Foreign Military Sales Program. Because this equipment is weaponized and used as a weapon in the occupied territories, the sale of Caterpillar bulldozers to the Israeli military violates the US Arms Export Control Act, which prohibits the use of US made machinery or weapons against a civilian population.

Israel’s sole Caterpillar distributor, Zoko Enterprises, provides employees who can function as reserve soldiers to service the D-9s during military operations on the battlefield, (“Facts on the Ground: Heavy Engineering Machinery and the Israeli Occupation Report,” Who Profits Research Center, July 2014).

A 2013 report to the UN Human Rights Committee states that “Caterpillar could protect against the militarized misuse of its equipment by contracting restrictions for use in its sales agreements, such as the insertion of provisions eliminating further sales if Caterpillar products were employed in human rights violations. Such an option would allow Caterpillar to send a clear message that it will not be complicit in human rights abuses.” (The Global Initiative for Economic, Social and Cultural Rights Joint Parallel Report to the United Nations Human Rights Committee, 109th Session, 14 October – 1 November 2013).

Caterpillar has shown it can guide its dealers and subsidiaries in matters concerning equipment use by a letter prohibiting them from accepting orders for equipment that could ultimately be used in Iran (<http://www.wsj.com/articles/SB10001424052748703429304575095430605944518>).

The Palestinian Christian community, through the Kairos Palestine document, has requested the support of the wider Church; (Kairos Palestine. “A Moment of Truth: A Word of Faith, Hope and Love from the Heart of Palestinian Suffering” <http://www.kairospalestine.ps/content/kairos-document> Web. December 2009). Palestinian Christian leaders have specifically requested the support of the United Methodist Church; (Letter to the United Methodist Church from Rifat Odeh Kassis, General Coordinator, Kairos Palestine, November 28, 2014 http://www.kairosresponse.org/Rifat_Kassis.html). All UMC missionaries serving in the Holy Land over the last 25 years likewise support concrete actions by our denomination to show our support of Palestinian rights (United Methodist Missionaries Support Divestment from the Israeli occupation. www.kairosresponse.org/UMC_Missionaries_Divestment.html).

The General Board of Pension and Health Benefits holds stock in Caterpillar Corporation, and increased its holdings in that company by 40 per cent during the fifteen months following General Conference 2012.

For ten years, various groups from the United Methodist Church, other denominations and numerous advocacy groups have brought human rights violations to the attention of Caterpillar, Inc. through letters, emails and private meetings with Caterpillar officials, yet the company has failed to respond with any corrective measures. Despite repeated discussions concerning this issue, Caterpillar, Inc. has refused a direct request from GBPHB to sign the UN Guiding Principles on Business and Human Rights.

The GBPHB, as part of its Socially Responsible Investing screens, lists “weapons” among other products that do not align with United Methodist values and thus “excludes investments in companies earning significant revenues from weapons...” In 2012, GBPHB released a statement expressing “our belief that the company’s policies expose Caterpillar – and by extension, its shareholders – to reputational and financial risk.”

To encourage companies to be responsive to United Methodist concerns and to avoid profiting from weapons that support Israel’s occupation, the United Methodist General Conference 2016 directs the General Board of Pension and Health Benefits to divest its shares of Caterpillar stock, and to exclude it from further investment until the company (1) signs the UN Guiding Principles on Business and Human Rights, (2) stops providing D-9 bulldozers for Israel to use as weapons in the occupied Palestinian territories, and (3) prohibits all Caterpillar dealers or subsidiaries from accepting any orders for equipment where the dealer or subsidiary knows that the products

will be used in the construction of Israeli settlements, the construction of bypass roads, the construction of the security barrier, or the demolition of Palestinian homes or agricultural fields in the occupied Palestinian territories.

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