

Report on Elbit Systems, LLC. in Ladson, SC

Compiled by Elbit Out of SC Coalition
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The Current Genocide in Gaza

Brief Historical Context

In 1948, Israel was proclaimed as a state following the withdrawal of the British mandate from Palestine, as Zionist forces expanded, displacing much of the indigenous Palestinian population. Under Zionist military rule, 85% of historic Palestine is now occupied by Israel. Palestinians continue to live in Gaza, the West Bank, East Jerusalem, and the occupied territories under an apartheid system, including Jewish-only roads, 700+ military checkpoints for Palestinians, and restricted use of water, electricity, and natural resources.

Gaza has been under military blockade since 2007, earning Gaza the title of the “world’s biggest open-air prison.” Israeli policies created a humanitarian catastrophe. Shortly after Israel’s imposition of its blockade, a senior government adviser crudely admitted that Israel’s policies were “to put the Palestinians on a diet.” According to the UN office for Coordination of Humanitarian Affairs in 2021:

Palestinians had access to only 80 percent of the minimum WHO recommendation for water. 75 percent of Palestinians purchased food of reduced quality, reflecting widespread food insecurity. Palestinians had access to only 13 hours of electricity per day. 9,000 internally displaced Palestinians are still in need of housing reconstruction from previous Israeli attacks.¹

As of 2023, Gaza was home to 2.5 million Palestinians, half of whom are children.

Recent History of Israel’s War Crimes

War crimes against Palestinians perpetrated by Israel have been documented by Amnesty International,² Human Rights Watch,³ the United Nations,⁴ the International Court of Justice,⁵ and various legal scholars. The following are some recent examples.

- **2008-2009** (Operation Cast Lead) Israel killed at least **1,385** Palestinians, including at least **308** children, and wounded at least **5,000** more.⁶

¹ UN office for Coordination of Humanitarian Affairs.

<https://www.ochaopt.org/page/gaza-strip-critical-humanitarian-indicators>

² Amnesty International, “No Weapons for War Crimes”, July 30, 2024.

<https://www.amnestyusa.org/blog/no-weapons-for-war-crimes/>

³ Human Rights Watch, “Israel’s Crimes Against Humanity in Gaza”, November 14, 2024.

<https://www.hrw.org/news/2024/11/14/israels-crimes-against-humanity-gaza>

⁴ United Nations Office of the High Commissioner for Human Rights, “UN Commission finds war crimes and crimes against humanity in Israeli attacks on Gaza health facilities and treatment of detainees, hostages”, October 10, 2024.

<https://www.ohchr.org/en/press-releases/2024/10/un-commission-finds-war-crimes-and-crimes-against-humanity-israeli-attacks>

⁵ United Nations Regional Information Centre for Western Europe, “International justice: the ICJ demands ‘the end of Israel’s presence’ in the Occupied Palestinian Territory”, July 27, 2024.

<https://unric.org/en/international-justice-the-icj-demands-the-end-of-israels-presence-in-the-occupied-palestinian-territory/#:~:text=International%20justice:%20the%20ICJ%20demands,in%20the%20Occupied%20Palestinian%20Territory&text=%E2%80%9CThe%20sustained%20abuse%20by%20Israel,not%20comply%20with%20international%20law.>

⁶ Amnesty International. Israel/Gaza: Operation “Cast Lead”: 22 days of death and destruction

<https://www.amnesty.org/en/documents/mde15/015/2009/en/>

- **2012** ("Operation Pillar of Defense"): Israel killed **174** Palestinians, **101** of whom were civilians, including **33** children and **13** women.⁷
- **2014** ("Operation Protective Edge"): A 50-day assault, Israel killed at least **2,131** Palestinians, at least **1,473** of whom were civilians, including **501** children and **257** women. At least **11,100** Palestinians were wounded, including **3,374** children.⁸

Current Genocide

The Geneva Convention defines genocide as:

"The deliberate killing of a large number of people from a particular nation or ethnic group with the aim of destroying that nation or group."

Since October 2023, Israel Defense Forces (IDF) have killed 48,291 Palestinians, including 13,319 children killed by traumatic injury.⁹ This does not include people who have died from starvation, infection from sanitation conditions Israel created, or lack of access to routine medical care. Due to Israel's destruction of infrastructure, these are likely underestimated. In July 2024, the medical journal *The Lancet* estimated the actual death toll to be closer to 200,000 Palestinians.¹⁰

In addition, Israel has systematically demolished infrastructure and placed blockades on resources from entering Gaza, leaving innocent civilians with no shelter or supplies. There are no longer any fully functioning hospitals in Gaza. Israel has also destroyed 92% of housing units and damaged or destroyed 88% of school buildings.² Israel has also attacked humanitarian aid workers. In April 2024, seven World Central Kitchen workers were killed while in transit by a drone made by Elbit.¹¹ In total, this destruction of infrastructure has led to mass starvation.¹² The deliberate destruction of civilian infrastructure as well as attacks on aid workers constitute some, but not all of the war crimes described by the International Criminal Court (ICC).

Israel is committing a genocide against the Palestinian people, for which Israel has stated intent from the start of its occupation. In January 2024, the International Court of Justice (ICJ) ruled in favor of South Africa's case against Israel stating that Israel is plausibly committing genocide.¹³

⁷ Amnesty International. Israel's military investigations into Gaza conflict violations strengthen impunity. April 2013. <https://www.amnesty.org/en/latest/news/2013/04/israels-military-investigations-into-gaza-conflict-violations-strengthen-impunity/>

⁸ Amnesty International, "Gaza: Operation Protective Edge" <https://www.amnesty.org.uk/gaza-operation-protective-edge>.

⁹ UN office for Coordination of Humanitarian Affairs. <https://www.ochaopt.org/content/reported-impact-snapshot-gaza-strip-18-february-2025>

¹⁰ Khatib, R, McKee, M, Yusuf, S. Counting the dead in Gaza: Difficult but essential. *The Lancet*. July 20, 2024. [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(24\)01169-3/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(24)01169-3/fulltext)

¹¹ Trew, Bel. Israeli drone used in Gaza aid strike powered by British-made engine, activists claim. *The Independent*. April 2024. <https://www.the-independent.com/news/world/middle-east/gaza-aid-workers-israel-british-drone-b2522977.html>

¹² Human Rights Watch, "Hopeless, Starving, and Besieged' Israel's Forced Displacement of Palestinians in Gaza", November 14, 2024. <https://www.hrw.org/report/2024/11/14/hopeless-starving-and-besieged/israels-forced-displacement-palestinians-gaza>

¹³ International Court of Justice. Order of January 2024. <https://www.icj-cij.org/node/203447>

Genocidal Intent

Despite being one of the most atrocious crimes a nation can commit, proving a genocide requires evidence of specific intent and execution which is historically difficult to prove. However Israeli officials have made those intentions plain and clear, openly displayed genocidal intent which has been thoroughly documented.

On October 9th, 2023, Former Israeli defense minister, Yoav Gallant referred to Palestinians as “human animals” as he ordered a total siege on Gaza blocking food, water & electricity.¹⁴ Gallant has since been charged with war crimes by the International Criminal Court.⁸

Other comments demonstrating genocidal intent include:

- Current Prime Minister Benjamin Netanyahu, who is also being charged with war crimes by the International Criminal Court,¹⁵ referred to Gaza as a “city of evil”, the Palestinian people as the biblical “Amalek”¹⁶ and framed Israel's assault on Gaza as a fight against “monsters” and a battle of “civilization against barbarism.”¹⁷
- Israeli president Isaac Herzog said the assault on Gaza was a war to save “Western civilization from an empire of evil.”¹⁸
- Former national security minister Ben-Gvir, who was previously convicted of both incitement of racism and supporting terrorism in 2017¹⁹ and current finance minister Bezalel Smotrich have made several, racist genocidal comments over the course of the assault. Openly calling for the execution of women, children, civilians, prisoners, forced starvation and the illegal annexation of Gaza strip & the West Bank.²⁰
- [There is a database with over 500 incitements to genocide made by Israeli officials.](#)²¹ These comments are also part of South Africa's ICJ case against Israel.

Overview Elbit Systems

Elbit Systems, LLC is the American subsidiary of Elbit Systems Ltd., an Israeli based company that produces weapons and surveillance technology. According to the Stockholm International

¹⁴ “Israeli Defence Minister Orders ‘complete Siege’ on Gaza.” *Al Jazeera*, 9 Oct. 2023,

www.aljazeera.com/program/newsfeed/2023/10/9/israeli-defence-minister-orders-complete-siege-on-gaza

¹⁵ United Nations. International Criminal Court Issues Arrest Warrants. <https://news.un.org/en/story/2024/11/1157286>

¹⁶ Lanard, Noah. “The Dangerous History behind Netanyahu’s Amalek Rhetoric.” *Mother Jones*, 3 Nov. 2023, www.motherjones.com/politics/2023/11/benjamin-netanyahu-amalek-israel-palestine-gaza-saul-samuel-old-testament/.

¹⁷ “Netanyahu Tells Congress: ‘it’s a Clash between Barbarism and Civilization... We Will Win’ | The Times of Israel.” *Times of Israel*, 24 July 2024. www.timesofisrael.com/liveblog_entry/netanyahu-tells-congress-we-will-win/.

¹⁸ “Herzog Claims War in Palestine Would Save ‘Western Civilization.’” *Al Mayadeen English*, Al Mayadeen English, 6 Dec. 2023, english.almayadeen.net/news/politics/herzog-claims-war-in-palestine-would-save--western-civilizat.

¹⁹ “Ben-Gvir Says Israeli Army Can Shoot Women, Children in Gaza.” *The New Arab*, The New Arab, 13 Feb. 2024, www.newarab.com/news/ben-gvir-says-israeli-army-can-shoot-women-children-gaza?amp.

²⁰ “Israel Minister Condemned for Saying Starvation of Millions in Gaza Might Be ‘Justified and Moral.’” *The Guardian*, Guardian News and Media, 8 Aug. 2024, www.theguardian.com/world/article/2024/aug/08/israel-finance-minister-bezalel-smotrich-gaza-starve-2m-people-comments.

²¹ Law for Palestine. <https://law4palestine.org/law-for-palestine-releases-database-with-500-instances-of-israeli-incitement-to-genocide-continuously-updated/>

Peace Research Institute, up to 90% of its revenue is derived from arms production.²² Elbit Systems supplies up to 85% of the Israeli military's land and air weaponry.²³

Elbit Systems often markets their weaponry as “battle-tested” with Palestinians in the West Bank and Gaza as the test subjects. These weapons are then put on the international market. Likewise, Elbit Systems is also a surveillance manufacturer and advertises this surveillance equipment as “field-tested.”

Elbit in South Carolina

In the summer of 2023, Elbit Systems, LLC established its eleventh United States (US) location at 9028 Palmetto Commerce Parkway in in Ladson, SC after receiving a FILOT, a \$700,000 set-aside grant, and a Special Source Revenue Credit (SSRC) as approved by Charleston County Council. Elbit Systems also benefits from additional tax incentives because they operate from within Multi-County Industrial Park.²⁴ Elbit Systems received these incentives with little to no public knowledge of negotiations between the company and the County.

What is being produced in Ladson?

Elbit Systems' Ladson facility is its “Ground Combat Vehicle Assembly and Integration Center of Excellence.” In 2023, Elbit began production of the the Sigma Next Generation Howitzer²⁵ in Ladson with estimated export to Israel to begin in 2025.¹⁸

These Howitzer cannons are considered “the most advanced howitzer available today,” and they include 360° firing range and a fully automated turret composed of the loading and armament systems.²⁶ The predecessor, the M109 was used to carry out war crimes such as the launching of white phosphorus against civilian populations.²⁷ As such, it can be expected that the weapons produced in Ladson may also be used to violate international law.

²²<https://www.sipri.org/visualizations/2024/sipri-top-100-arms-producing-and-military-services-companies-world-2023>

²³ Dowling, Paddy. “Dirty secret of Israel's weapons exports: They're tested on Palestinians”. Al Jazeera. Retrieved November 23, 2023.

²⁴ Levin, Lily. “Ladson defense manufacturer making weapons for Israel, U.S.” Charleston City Paper. December 2023. <https://charlestoncitypaper.com/2023/12/19/ladson-defense-manufacturer-making-weapons-for-israel-u-s/>

²⁵ Elbit Systems of America. <https://www.elbitamerica.com/news/elbit-america-perspective-filling-the-gaps-in-mobile-artillery#:~:text=The%20SIGMA%20Next%2DGen.,round%20magazine%20in%20the%20turret.>

²⁶ Laslie, James. “FA Technologies Spotlight: ElbitAmericas Sigma-Next Generation Howitzer.” United States Field Artillery Association. November 21, 2023.

<https://www.fieldartillery.org/news/fa-technologies-spotlight-elbitamericas-sigma-next-generation-howitzer>

²⁷ Lebanon: Evidence of Israel's unlawful use of white phosphorus in southern Lebanon as cross-border hostilities escalate. October 31, 2023.

<https://www.amnesty.org/en/latest/news/2023/10/lebanon-evidence-of-israels-unlawful-use-of-white-phosphorus-in-southern-lebanon-as-cross-border-hostilities-escalate/>

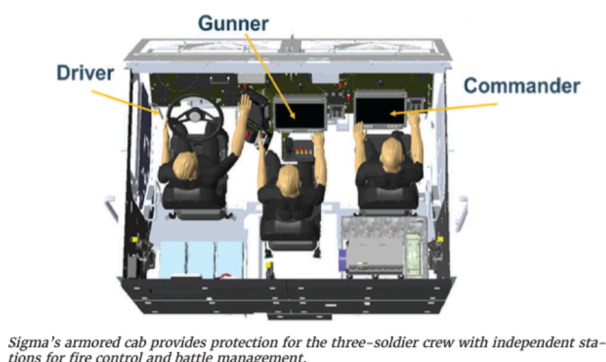


Figure 1: Sigma Next Generation Howitzer. (United States Field Artillery Association.)

It is not known whether Elbit Systems in Ladson has begun exporting to Israel.

National Context: Surveillance at the Border and on Indigenous American Reservations

In 2023, the Department of Homeland Security awarded Elbit Systems a 23 million dollar contract to acquire “medium and long range surveillance towers.”²⁸

According to the senior director of Customs & Border Protection at Elbit Systems of America the company's ultimate goal is to build a “layer” of electronic surveillance equipment across the entire perimeter of the US. Elbit provides US immigration authorities with surveillance systems and other technologies such as drones and sensors.²⁹

Elbit has at least 55 surveillance towers along the US-Mexico border that act as 24/7 surveillance that send real time updates to border patrol.³⁰ These towers ultimately funnel migrants into more dangerous and inhospitable terrain which often leads to their deaths due to exhaustion, dehydration and exposure.³¹ Additionally, these towers are constantly surveilling the Tohono O’odham reservation, whose territory covers 62 miles of the US–Mexico border. The Tohono O’odham people historically moved freely across these territories but constant harassment by border patrol agents restricted their passages throughout the land.³²

²⁸ Elbit Systems of America, “Elbit America awarded surveillance tower contract through U.S. Customs and Border Protection”, <https://www.elbitamerica.com/news/elbit-america-awarded-surveillance-tower-contract-through-u.s.-customs-and-border-protection>

²⁹ The Intercept, “The U.S. Border Patrol and an Israeli Military Contractor Are Putting a Native American Reservation Under “Persistent Surveillance”, August 8, 2019. <https://theintercept.com/2019/08/25/border-patrol-israel-elbit-surveillance/#:~:text=According%20to%20Bobby%20Brown%2C%20senior,to%20the%20ports%20and%20harbors>

³⁰ “Elbit Systems, key to Israel’s apartheid regime, is helping to expand Biden’s virtual border wall” <https://prismreports.org/2024/07/22/elbit-systems-israeli-apartheid-us-border/#:~:text=Of%20the%20479%20towers%20that,Mexico%2C%20making%20the%20borderlands%20deadlier.>

³¹ Ibid.

³² Blanchfield, Caitlin, Kolowratnik, Nina Valerie. “‘Persistent Surveillance’: Militarized Infrastructure on the Tohono O’odham Nation” <https://averyreview.com/issues/40/persistent-surveillance>

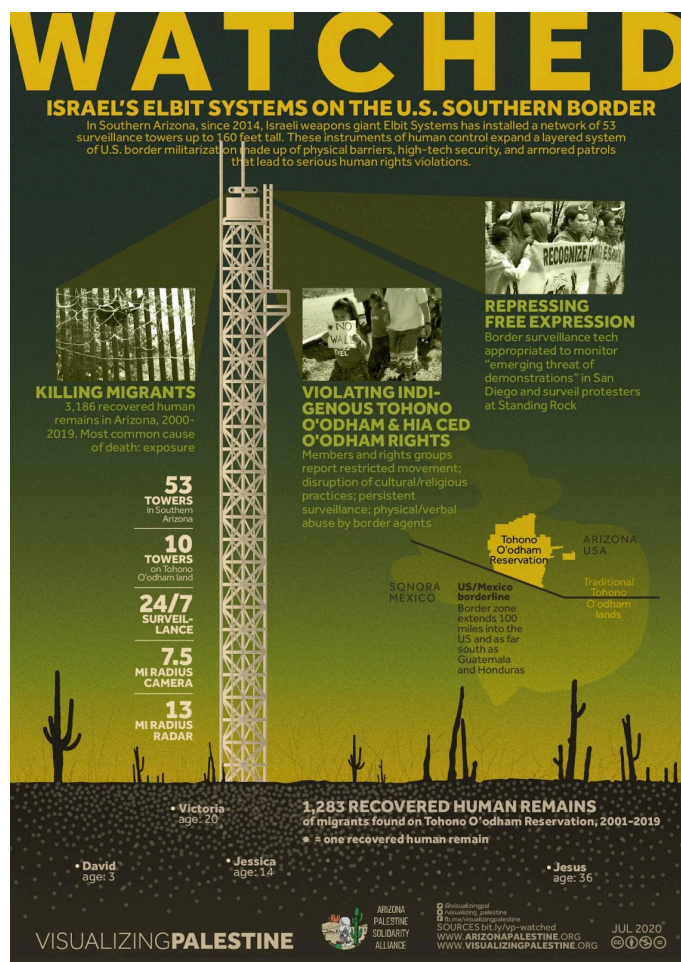
International and local demonstrations show the vested concern amongst the general public in protest of the Trump administration's broadening surveillance and repression of immigrant populations.^{33,34} As a major manufacturer of surveillance technology and a top contractor with the US Border Control, there is also an increased concern around Elbit's role in this racist repression.³⁵ During a 2018 press conference, President Donald Trump, when asked about his plans for construction of a wall around the Southern border, replied "Walls work, just ask Israel."³⁶

Global Context

War Crimes Against Palestinians

Elbit's weapons have been used in multiple documented human rights violations. These offenses include:

- Continued production of white phosphorus despite claims of compliance to international bans, violating international law.³⁷
- Continued production of cluster munitions despite claims of compliance to international bans, violating international law.³⁸



³³ Komlavi Adissem, "Charleston police arrest 7 during protest against Trump immigration policies", January 30, 2025. https://www.postandcourier.com/news/mass-deportation-protest-charleston/article_3285d8b6-df0b-11ef-a28d-3fc32fd e03e4.html

³⁴ Photos: Defend immigrant rights protest at Brittlebank Park by Andrew Whitaker, February 5, 2025. https://www.postandcourier.com/photo_galleries/photos-defend-immigrant-rights-protest-at-brittlebank-park/collection_44ed74fe-e330-11ef-b6ae-7fa2172bebb8.html

³⁵ Next Gen Border - Elbit Systems of America, https://www.nextgenborder.com/?_hstc=53569911.d2d4573d867f7a7c147cfe10973def26.1738611916017.1740332692434.1740338743927.4&_hssc=53569911.1.1740338743927&_hsfp=394620632

³⁶ Tracy Wilkinson, "Trump says walls work: 'Just ask Israel'", February 8, 2017. <https://www.latimes.com/nation/la-fg-trump-wall-israel-20170208-story.html>

³⁷ Human Rights Watch, "Israel: White Phosphorus Used in Gaza, Lebanon", October 12, 2023. <https://www.hrw.org/news/2023/10/12/israel-white-phosphorus-used-gaza-lebanon>

³⁸ Butler, Ben and Doherty, Ben. "Australia's Future Fund bans investment in Israeli defence contractor over cluster munitions allegations", March 9, 2022. <https://www.theguardian.com/world/2022/mar/10/elbit-systems-denies-making-cluster-bombs-after-australia-future-fund-bans-investment-in-it>

- An Elbit produced Hermes Drone that intentionally killed the seven World Central Kitchen workers in Gaza in 2024.³⁹

As Elbit supplies 85% of the Israeli military's land and air weaponry, it is likely tied to other violations as cited above.

South African Apartheid

Israel Military Industries (IMI), an Israeli state-owned military manufacturer, made covert and overt deals with Apartheid South African government long after most western states had put a military embargo on the Apartheid nation. Israel sought to deepen its connection with the South African government by asking for financial investments into their weapons technology and research for joint development of new age weapons. However, this never fully came to fruition.⁴⁰

In the 1970s, Apartheid South Africa weapons manufacturer Armscor negotiated contracts with IMI for millions of dollars in ammunition & bombs during the height of the Apartheid. The massive profits of these ammunition sales made by IMI to Apartheid South Africa was a huge infusion of cash into the Israeli economy. They also tested bombs and ammunition together on South Africans & Palestinians.⁴⁰

In 2018, the Israeli government negotiated a sale of the state owned IMI to the private company Elbit Systems, once known as a major Israeli defense electronics company. The purchase agreement was contingent on meeting the Israeli government's demand of "protecting the interests of the defense ministry and ensuring the continued operation of IMI," which Elbit accepted. This was also an attempt to "reinvigorate" the IMI and to free up space for housing apartments and to send thousands of jobs and billions of dollars in investments to the "job starved Negev."⁴¹ The only transition that occurs here was moving a portion of state owned Israeli weapons manufacturing to the private sector. Elbit still serves the same purpose the IMI did and still sells weapons to countries with thoroughly documented human rights abuses.

Myanmar Genocide

Elbit Systems sold weapons to Myanmar in the ICC-condemned genocide of Rohingya. A Justice for Myanmar report states:

In early 2016, Elbit Systems – through its subsidiary Electro Optics Elop Ltd – also sold equipment to Myanmar's navy valued at almost USD \$300,000. This included systems for optimal observation, surveillance, and tracking and targeting to be installed on three frigates and two corvette warships. It is highly likely that this deal was also brokered by the Star Sapphire

³⁹ The Canary, "The drone the IDF used to kill three British aid workers was made in the UK" April 4, 2024. <https://www.thecanary.co/uk/news/2024/04/04/world-central-kitchen-drone-strike/>

⁴⁰ Polakow-Suransky, Sasha. *The Unspoken Alliance: Israel's Secret Relationship with Apartheid South Africa*. Vintage Books, 2011.

⁴¹ *Elbit Buys State-Owned Arms Maker IMI for NIS 1.8 Billion* | *The Times of Israel*, Times of Israel, 11 Mar. 2018, www.timesofisrael.com/elbit-buys-state-owned-arms-maker-imi-for-nis-1-8-billion/.

Trading Company, because a source affirms that Star Sapphire Trading Company had been the only local agent of Elbit Systems in Myanmar.⁴²

Justice for Myanmar then submitted an application for a criminal investigation into three Israeli companies including Elbit Systems arguing they ignored possible corruption and bribery, and providing evidence that Elbit chose to do business with Star Sapphire despite intimate knowledge of ties to the leader of the military junta.⁴³

Until at least early 2022, Haaretz reported:

Elbit Systems maintained their trade with Myanmar despite an international arms embargo on the country, and despite a 2017 ruling by Israel's High Court of Justice and the Israeli government's own 2018 statement saying it stopped such sales.⁴⁴

Surveillance in Ethiopia

A 2017 report by The Citizen Lab⁴⁵ found that Cyberbit, a wholly-owned subsidiary of Elbit Systems, sells to the Ethiopian government which in turn uses the technology to surveil, find, and punish political dissidents. According to Elbit,

Cyberbit was established in 2015 in order to "consolidate Elbit Systems' activities relating to the Cyber Intelligence and Cyber Security markets.

Elbit had previously acquired C4 Security in June 2011 for \$10.9 million; C4 described itself as "specializ[ing] in information warfare, SCADA and military C&C systems security." According to one employee's LinkedIn page, C4 also developed a product called "PSS Surveillance System," billed as a "solution[] for intelligence and law enforcement agencies." Cyberbit marketing materials¹ refer to what appears to be the same system: "CYBERBIT PC Surveillance System (PSS)." PSS is also referenced on Elbit's website as a solution "for collection from personal computers.

The report adds:

Our analysis also indicates apparent demonstrations of the spyware in several other countries where leaders have exhibited authoritarian tendencies, and/or where there are political corruption and accountability challenges, such as Nigeria, Philippines, Rwanda, Uzbekistan, and Zambia.

⁴² Justice for Myanmar. Star Sapphire Companies Funnelling Arms and Money to Military. 26 April 2022.

<https://www.justiceformyanmar.org/stories/star-sapphire-companies-funnelling-arms-and-money-to-military>

⁴³ Justice for Myanmar. JFM Calls on Israel's Attorney General to Take Urgent Action Following Application for Criminal Investigation into Myanmar Arms Sales. 26 Oct 2022.

<https://www.justiceformyanmar.org/press-releases/jfm-calls-on-israels-attorney-general-to-take-urgent-action-following-application-for-criminal-investigation-into-myanmar-arms-sales>

⁴⁴ Yaron, O. Israel Sold Arms to Myanmar Even After the 2021 Military Coup. Haaretz. 5 Sept 2023.

<https://www.haaretz.com/israel-news/security-aviation/2023-09-05/ty-article/.premium/israel-sold-arms-to-myanmar-even-after-the-2021-military-coup/0000018a-6000-d339-a3af-f5b673e90000>

⁴⁵ Marczak, B, Alexander G, McKune S, Scot-Railton J, Deibert R. "Champing at the Cyberbit: Ethiopian Dissidents Targeted with new Commercial Spyware." The Citizen Lab. 6 Dec 2017.

<https://citizenlab.ca/2017/12/champing-cyberbit-ethiopian-dissidents-targeted-commercial-spyware/>

Guatemala Genocide

200,000 Indigenous Mayans, dissidents, and others were mass-murdered in the Guatemalan genocide, and the weapon was noted to have been “one which is in fact frequently used by the Guatemalan armed forces.”

Tadiran Electronic Systems, previously a segment of Tadiran and Elisra, now merged with Elbit Systems under the Tadiran Electronic Systems segment of the subsidiary Elisra Group, knowingly provided Guatemalan authorities with a “computer listening center... operational in late 1979 or early 1980 [which] housed the names of at least 80 percent of the population.” The media in Israel stated at the time that “the aim was to ‘follow up the guerilla movements in the capital,’” “It was a highly sophisticated machine for its time and could detect changes in the use of power or water in private homes and therefore note anti-government activity if a printing press was in use.”⁴⁶

IMI systems, whose innovations and creations are now profited off of by Elbit, supplied the Galil rifles which would be found in the exhuming of a village where Mayans were mass-murdered in 1982 (the most notorious massacre of the Guatemalan genocide). In fact, “all the ballistic evidence recovered corresponded to bullet fragments from firearms and pods of Galil rifles, made in Israel.”⁴⁷

Elbit and Cluster Munitions

Per the Human Rights Watch “Cluster Munition Monitor Report:”

Cluster munitions pose an immediate threat to civilians during conflict by randomly scattering submunitions or bomblets over a wide area. They continue to pose a threat post-conflict by leaving remnants, including submunitions that fail to explode upon impact becoming de facto landmines. The 2008 Convention on Cluster Munitions prohibits the use, production, transfer, and stockpiling of cluster munitions. It also requires destruction of stockpiles, clearance of areas contaminated by remnants, and victim assistance. More than 120 states have joined the Convention on Cluster Munitions and are working to implement its provisions.⁴⁸

Physician volunteers who have treated patients in Gaza since October 2023 have testified to the devastating injuries particularly to children from shrapnel from such cluster munitions.⁴⁹

Elbit previously produced cluster munitions, the use of which are [condemned by over 120 countries excluding Israel and the United States](#).⁵⁰ This, as well as broader concerns of Elbit's role in the occupation of Palestine, has resulted in Elbit Systems being blacklisted by AXA

⁴⁶ Loewenstein, Antony. *The Palestine Laboratory: How Israel Exports the Technology of Occupation around the World*. Verso Books, 2023.

⁴⁷ Amnesty International. Guatemala Exhuming Report. October 1995.

<https://www.amnesty.org/en/wp-content/uploads/2021/06/amr340241995en.pdf>

⁴⁸ Human Rights Watch. Cluster Munitions. 2014. <https://www.hrw.org/topic/arms/cluster-munitions>

⁴⁹ Sidhwa, Feroze. “65 Doctors, Nurses and Paramedics: What We Saw in Gaza.” *The New York Times*, The New York Times, 9 Oct. 2024, www.nytimes.com/interactive/2024/10/09/opinion/gaza-doctor-interviews.html.

⁵⁰ United Nations. Convention on Cluster Munitions. 30 May 2008. Dublin. https://treaties.un.org/Pages/ViewDetails.aspx?src=IND&mtdsg_no=XXVI-6&chapter=26&clang=en

Investment Management, HSBC, Deutsche Bank, KLP, Australia's Future Fund, Storebrand, Norges Bank Investment Management, and the East Sussex Pension Fund.⁵¹

Elbit's page on Ethics and Conduct claims:

All of our activities in the area of munitions, Including those of IMI Systems Ltd, are in compliance with the international Convention on Cluster Munitions that entered into force in August 2010.⁵²

Both Israel and the US claim not to produce cluster munitions, but there is evidence to the contrary.⁵³

Efficacy of Municipal Corporate Tax Incentives

Corporate tax incentives like the FILOT and SSRC received by Elbit have far reaching impacts on the community, particularly on Charleston County School District. In a February 2025 report published by nonprofit Good Jobs First, Anya Gizis reveals that Charleston County School District lost up to \$207 million to tax abatements between 2017 and 2023.⁵⁴ Despite the immense losses felt by Charleston County School District and other school districts who are impacted by these agreements, these districts have no representation as stakeholders to the negotiations between the County and the businesses they are indirectly sustaining.

The report by Good Jobs First recommends increased transparency around tax abatements. Gizas writes, "This data would allow citizens to be more informed about abatements in their area and allow for better analysis of the effectiveness of both deals and programs." Similarly, the lack of transparency in negotiations between Charleston County and Elbit Systems rendered it nearly impossible for the general public to be meaningfully represented as stakeholders in the facilitation of this projection. This lack of transparency includes the use of the code name "Project Thunder" for Elbit Systems as well as the sparse public record of these negotiations.

Elbit's FILOT in Charleston County

The earliest public record of discussion concerning the administration of tax incentives for Elbit Systems are from a Finance Committee Meeting from June 17, 2021, where the Elbit Systems is referred to as Project Thunder. Under this code name Elbit is described as "a leading global

⁵¹ Azizuddin, K. ESG Funds Reinvest in Israeli arms manufacturer Elbit Systems After Cluster Munitions Pivot. Responsible Investor. June 2023.

<https://www.responsible-investor.com/esg-funds-reinvest-in-israeli-arms-manufacturer-elbit-systems-after-cluster-munitions-pivot/>

⁵² Elbit Systems. Ethics and Conduct.

<https://elbitsystems.com/ethics-and-conduct/#:~:text=Conducting%20our%20business%20ethically%20is,range%20of%20our%20global%20activities.>

⁵³ Amnesty International.Armenia/Azerbaijan: Civilians must be protected from use of banned cluster bombs 5 October 2020.

<https://www.amnesty.org/en/latest/press-release/2020/10/armenia-azerbaijan-civilians-must-be-protected-from-use-of-banned-cluster-bombs/>

⁵⁴ Good Jobs First - The Cost of Corporate Tax Breaks to South Carolina by Anya Gizis

<https://goodjobsfirst.org/wp-content/uploads/2025/02/The-Cost-of-Corporate-Tax-Breaks-to-South-Carolina-Schools.pdf>

source of innovative, technology-based systems for diverse defense, homeland security, and commercial applications.” In this same meeting, the expected financial impact is discussed including expected revenue, the number of direct and indirect jobs created.⁵⁵ This meeting is the first and last meeting containing discussion before being presented for first reading at Charleston County at a meeting on June 22, 2021. Councilmember Honeycutt moved to approve and Councilmember Johnson seconded. No discussion was presented in the meeting minutes.⁵⁶

On July 27, 2021 Charleston County Council authorized and delivered the FILOT to Elbit Systems, again under the name “Project Thunder.” Councilmembers Johnson, Middleton, Moody, Sass, Schweers, Wehrman, and Pryor voted for the ordinance in its second reading. Councilmembers Darby and Honeycutt were absent.⁵⁷

Residents across Charleston County are becoming increasingly aware and upset over the presence of Elbit Systems and the support it receives from the County. There is also growing attention towards the effects of FILOT agreements and other tax abatements on the public school system. One concern is the lack of accountability for these corporations in upholding their end of required investment into the county.

At present there are no public resources to ensure Elbit Systems benefits the general public of Charleston as they claim, however there is growing skepticism over its ability to do so. Because Elbit Systems’ larger global standing is rapidly deteriorating, it is unclear whether Elbit’s Ladson facility will be able to fulfill the terms detailed in the FILOT agreement. One of these terms is the creation of 302 jobs over a five year period, ending December 31, 2027. According to the Elbit Out of South Carolina Coalition’s independent research, Elbit Systems currently employs upwards of 60 people, a fraction of the 302 jobs Elbit agreed to create per their FILOT agreement.⁵⁸ Thus the company is not upholding its claims of investment into the county.

According to section 12-44-40 of the FILOT agreement ⁵⁹,

- (a) The project is anticipated to benefit the general public welfare of the locality by providing services, employment, recreation, or other public benefits not otherwise adequate provided locally;
- (b) The project gives rise to no pecuniary liability of the county or incorporated municipality or a charge against its general credit or taxing power; and
- (c) The purposes to be accomplished by the project are proper governmental and public purposes and the benefits of the project are greater than the costs.

Furthermore, it is unclear whether Elbit Systems is making reasonable progress in its compliance to the above ‘general public welfare’ via its alleged \$31,000,000 minimum investment into the County as outlined in the FILOT agreement.⁶⁰

⁵⁵ Charleston County Council Finance Committee Meeting Minutes, June 17, 2021.

⁵⁶ Charleston County Council Meeting Minutes, June 22, 2021

⁵⁷ Charleston County Council Meeting Minutes, July 27, 2021, Page 11

⁵⁸ FILOT agreement between Charleston County and Elbit Systems

⁵⁹ Ibid.

⁶⁰ Ibid.

Public Policy Recommendations

Charleston County's support for Elbit Systems, and the lack of transparency around the facilitation of these incentives has garnered mounting public attention and subsequent action. This includes a public teach-in exploring the relationship between Charleston County and Elbit Systems in July 2024, consistent demonstrations against Elbit Systems since October 2024, and a growing petition with over 250 signatures. With a track record of unethical and illegal activity as outlined in this report, Elbit Systems is being faced with national and international outrage.

Audit of Elbit Systems

Firstly, Elbit Out of SC recommends an audit of Elbit Systems and a disclosure of relevant tax and financial documents including, but not limited to:

- (a) All financial books and records that support the sponsor's fee in lieu of taxes return to verify the calculations of the sponsor's fee in lieu of taxes payment or the calculations of the sponsor's Special Source Revenue Credit increase, including DOR Form PT-300G and DOR Form PT - 443.
- (b) Transparency in employment reports, in accordance with the FILOT agreement, "A current headcount and salary (minus benefits) profile on such businesses' letterhead to be utilized as a benchmark against which to measure compliance with the hiring target."⁶¹

Per Section 12-44-90 J of the FILOT agreement, Elbit Systems' financial record may be accessed via a county official.

"Upon the direction of the governing body of the county, a county official may request and obtain such financial books and records from a sponsor that support the sponsor's fee in lieu of taxes return as may be reasonably necessary to verify the calculations of the sponsor's fee in lieu of taxes payment or the calculations of the sponsor's special source revenue credit."

As the general public are stakeholders whose taxes provide the investment for the incentives that the County has administered to Elbit Systems, the lack of transparency surrounding this project has become an issue of governmental accountability.

Termination of FILOT

Elbit Out of SC further recognizes the general public as stakeholders who are interested in facilitating the moral, ethical, and legal development of Charleston County. As such, Elbit Out of SC recommends a termination of the FILOT agreement benefitting Elbit Systems. The basis for this recommendation is informed by Elbit Systems' violation of the agreement itself as well as its violation of federal and international law.

⁶¹ Ibid.

- (a) Elbit Systems has not demonstrated reasonable compliance with the agreement between Elbit Systems and Charleston County, demonstrating a misuse of taxpayer investment.
- (b) The larger Elbit Systems Ltd., of which the facility in Ladson is a subsidiary of, has a longstanding history of violating federal and international law and as such, endangers the moral, ethical, and legal standing of Charleston County.

It is under the purview of Charleston County Council to terminate the FILOT agreement with Elbit Systems LLC, per Section 12-44-144 of the FILOT agreement:

- (a) "The county and the sponsor may agree to terminate the fee agreement at any time."⁶²
- (b) Except as provided in Section 12-44-100 (A) a fee agreement is automatically terminated if the sponsor fails to satisfy the minimum investment level provided in Section 12-44-30 1(14) with the investment period or the applicable minimum investment or the job creation requirements provided in Section (12-44-30(7)).⁶³

Elbit Out of SC Coalition

Elbit Out of SC formed in April 2024 and represents a grassroots coalition of local organizations and concerned residents of Charleston County. Our coalition includes representatives from Free Palestine Charleston, Charleston Democratic Socialists of America, Lowcountry Rising for Palestine, Charleston Green Party, and the Lowcountry Action Committee. We are healthcare workers, teachers, social workers, artists, bakers, food couriers, faith leaders, parents, and more who are organizing against Elbit Systems' presence in Charleston County, with the ultimate goal to get Elbit out of SC.

Visit our website at elbitoutofsc.com.

⁶² Ibid.

⁶³ Ibid.