Israel National Defense College

43rd Class, 2015-2016

**The Economy of Israel**

**From the Perspective of Defense Requirements**

**Lecturer: Mr. David Brodet**

**Instructor in-charge: Dr. Joshua Krasna**

**November 2015**

* **General:**
* The economic component is a central element in the power of every state. We will focus on Israel's economy and its connection to national defense.
* In the framework of the Israeli Economy course, the basic principles of the central topics in economics will be taught with an emphasis on the practical aspects of these principles in the Israeli market. The course will take place in November 2015 - January 2016, and will include the basic terminology of micro and macro economy from the perspective of national defense.
* **Course Goals:**
* Provide the language and basic terms in national economy.
* Present the implications of economic terms and economic thinking as parameters in the working environment of the commander/manager.
* Become acquainted with the primary trends and parameters of the Israeli economy.
* Point out the dilemmas in formulating economic policy, and allocating resources in accordance with the priorities.
* Discern the gaps in social values between “right” and “left” perspectives in the economic field.
* To understand the relationship between national economy and the defense establishment.
* **Topics:**
* Basic terminology.
* Major historical trends in the economy of Israel.
* Population, personnel, technology and capital in creating national product.
* Foreign trade, import, capital, and balance of payments – openness to the world.
* Country’s budget, financing it and the burden of defense.
* Mixed economy, the public sector and privatization.
* Poverty and inequality in income distribution.
* Stability of the economy, competitiveness, and economic-social policy approaches.
* Integration - economy as a national framework: goals, means, and results.
* The economy, the security and the peace.
* **Method:**
* Lectures and discussions in the plenum, exercises, guest lecturers and experts from academy and from "the field".
* The course will include 14 meetings of an hour and a half each (24 academic hours)
* **Requirements:**
* Attendance and active participation
* At the end of the course there will be a test, based on the material taught during the course.
* **Lecturer and Academic Advisor:** Mr. David Brodet.
* **Accompanying instructor:** Dr. Joshua Krasna.
* The course provides academic credits for the M.A degree - , 2 semester hours a week.

Program of the Course in Israeli Economy

43rd Class, 2015 – 2016

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| **Date** | **Topic** | **Lecturers** |
| 4.11.15 | Historical trends of the economy in Israel | David Brodet |
| 17.11.15 | Population, the Israeli labor market, capital and productivity. | David Brodet |
| 2.12.15 | Foreign trade, capital inflows, balance of payments and openness to the world | David Brodet |
| 3.12.15 | The state budget, its finance, defense burden, public sector, privatization and mixed market. | David Brodet |
| 5.1.16 | Finance market and monetary policy | David Brodet |
| 6.1.16 | Poverty, inequality in the distribution of income | David Brodet |
|  | Stability of economies, competitiveness, social and economic policy and integration in the national economy, security and peace + Making up previous class and going over material for the test | David Brodet |
| 14.1.16  | Test in class | David Brodet |

sources (in Hebrew)

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| **Introduction:** | Meir (1996) **Introduction to Economy Israeli Type**, Published by Bialik Institute |
|  | Lovental, Ruth and others (1996) **Israel’s Economy with Emphasis**, Center for Social Policy Studies in Israel |
| **Defense:** | Imri (1998), **Price of Strength, Matters in Defense Economy**, Published by the Ministry of Defense |
|  | Lifshitz, Yakov (2000), **Defense Economy, The General Theory and the Israeli Case,** Published by the Ministry of Defense |