

Holbik, Karel

**Article**

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# ARTICLES

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## DEVELOPMENT AID

### Israel as a Foreign Aid Donor

By Prof Dr Karel Holbik, Boston/Mass.

**The formation of Israel and the growth of its economy have astounded the nations of the world. The world "miraculous" has often been used to describe the way in which a tiny nation, born in a hostile neighborhood in 1948, not only managed to survive but became a source of valuable technical assistance to other emerging nations and, in many cases, to nations that have existed many times longer than it has. The objective of this analysis is to examine the purpose, history and scope of the technical assistance that Israel is extending to some 60 nations in Africa, Latin America and Asia.**

**T**he antagonistic Arab states that virtually surround Israel emphasise the national interest that Israel holds in common with other nations of the world: national security. As Mr Abba Eban said in 1965, "The first dictate of our policy is to survive". When questioned about what was needed to reduce tensions in the region, he answered, "What is needed is a movement of ideas", that is, "to get Arab states to recognise Israel as a viable state." The "movement of ideas" theme may well be expressing itself in one form by the technical aid extended to other nations, especially on the periphery of the region.

#### **Foreign Policy and Foreign Aid**

A more detailed statement of Israeli foreign policy supports the idea that development aid is related to Israel's survival. One analysis of Israeli foreign policy says there are three main objectives:

- To ensure the integrity and security of the state by achieving genuine peace with the Arab states or, failing that, to build a combination of national power and international support capable of deterring Arab aggression or crushing it should it occur.
- To promote and absorb massive immigration of Jews from all parts of the world.
- Rapid economic development.

In order to ascertain whether Israel has gained international support for these objectives as a result of the technical assistance it has given, let us first consider some of the common characteristics between Israel and the countries which have received aid from it, and what some of the reactions have been.

Inasmuch as development aid could be obtained by underdeveloped countries on more advantageous

financial terms from industrial nations, why have so many nations (of Africa, in particular) turned to Israel? The reasons are political, historical, social and economic.

In the first place, aid from Israel is given in an atmosphere of relative political neutrality. Colonial oppression, especially in Africa and Asia, has made the leaders of emerging nations extremely sensitive to the issue of political domination. They fear that political strings are usually attached to aid from the Free World or communist countries. Israel poses no such threat.

In the second place, Israel shares with many of the new nations a strong empathy born of suffering. The Jews and the colored people of the world have had a tragic past in terms of man's inhumanity to man. They have also shared the experience of struggling against the British. Jewish underground fighters of the late 1940's were exiled to Kenya and Mauritius, and there was a concentration camp for Jews on Cyprus. Such visible suffering of the Jews has been remembered by the people and leaders of new nations.

There are several social and economic ties between Israel and the underdeveloped nations of Africa, Latin America and Asia, although there are also marked, obvious differences. While the peoples concerned are quite different ethnically and in educational levels, Israel's communal organisations resemble those of Africa. For example, Israel's rural cooperatives (kibbutzim) are similar to African tribal farms. The non-dogmatic socialism evolved in Israel is attractive to the people of new nations, also. Not only does it appeal to their social values but, lacking a middle class and having few potential entrepreneurs, they feel that only national governments can mobilise resources for rapid development. The example of a

<sup>1</sup> Compare: Nadav S a f r a n , *Israel Today, A Profile*, New York, 1965, p. 60.

small nation such as Israel, once an underdeveloped land desperately in need of assistance, growing at a miraculous rate under a mixed economy has not been lost on the underdeveloped nations of the world.<sup>2</sup>

#### Methods of Technical Aid

The seeds of technical assistance were sown in 1950 at the International Trade Unions Congress in Belgrade. At the invitation of R. Barkatt of the Israeli delegation, three Burmese delegates stopped at Israel on their way home from the Congress as guests of the labour movement Histadrut. They were most favourably impressed by the host country's economic progress, particularly in view of the bias that had previously been planted by Arab propaganda. In a similar fashion, some Ghanaian delegates to the Bandung Conference (1955) stopped at Israel on the way home. The visit went well and the Ghanians, as the Burmese, noted the economic achievements and the spirit of accepting challenges they observed. Israel soon became the first outside nation to aid Ghana.

In Ghana emphasis was placed on economic and technical cooperation and two basic methods were followed:

□ A temporary joint stock company, Ghana's Black Star shipping line, was founded in 1958 with 40% of the capital supplied by Israel's Zim Line. By 1960, Black Star was able to buy out Zim and keep the advisers for a further period. The Ghana National Construction Company was founded the same way, with 50 Israeli advisers staying on. Among its early projects were building a fishing harbour at Elmina, a union headquarters, a stadium, and rebuilding Accra airport.

□ An exchange program for training technicians was established. Forty Ghanians went to Israel to learn medicine, modern agriculture and engineering. Israel sent teachers to Accra, a doctor to serve as the former President Nkrumah's chief medical adviser, and a census expert. Assistance was also given to the Kumasi College of Technology, plans were developed for a flying school, and guidance was provided for agriculture and youth organisation. The effect of Israel's cooperation with Ghana spread over the African continent, first to Tanganyika, then to Nigeria and other African countries.

In a similar fashion of growing influence, the contacts with Burma bore fruit. Technical cooperation was at first confined to the military field, with Israel training Burmese technicians in its military industries and supplying maintenance crews for Burmese planes. But since the mid-1950's, Israel has sent a variety of agricultural, medical and industrial experts to Burma. A joint Burmese-Israeli construction company was organised, and Zim (Israel's shipping line) was invited to manage Burma's Five Star Line. Also a succession

<sup>2</sup> During the decade of the 1950's, Israel's net national product increased by about 190% and its per capita NNP by 70%. Between 1960 and 1964, the country's GNP (at current prices) rose by almost 100%, its GNP per capita by 70%. Compare: Statistical Abstract of Israel, No. 16.

of agricultural projects resulted in Israel getting involved in the Burmese army resettlement program in 1959/1960. From Burma Israel's reputation spread throughout Asia and relations were established next with Ceylon, Thailand and the Republic of the Philippines.

In Latin America, political ties preceded technical cooperation. Several Latin American countries supported the creation of Israel in 1947 and since then have frequently voiced in the UN their desire for a peaceful solution to the Israeli-Arab conflict. Then in 1962 Latin American visitors to Israel observed potential solutions to existing problems in their countries. Subsequently Latin American trainees attended courses (primarily agricultural) in Israel, and Israeli technicians became involved in a search for water resources and training in irrigation methods in Brazil.

As this brief historical summary suggests, the foreign aid program has consisted primarily of modest amounts of economic aid coupled with valuable technical cooperation, based both on Israel's experiences and the expressed desires of a growing number of nations.

#### Scope of Foreign Aid

As stated above, Israel has only few economic resources available for extending foreign aid. Because of inadequate financial means the country has been forced to limit the scope of its assistance and to confine it to clearly defined tasks of cooperation where it can supply experts, technical assistance and "know-how".<sup>3</sup> Not only does Israel have a relative excess of educated, trained people with considerable experience in economic development but the educational level of the nation is already comparable to that of the people of the United States, who live in the most technologically and economically advanced country in the world. And it is the trained people that most underdeveloped countries lack.

The assistance offered can be categorised into three general areas: joint commercial ventures, Israeli assistance abroad, and training in Israel.

Joint commercial ventures consist of enterprises in various African and Asian countries, jointly owned by Israeli companies and a local government body, with the latter owning the controlling share. Key administrative and technical personnel are usually supplied by Israel, but the training of local workers takes place as rapidly as practicable so they may take over management.

Israeli assistance abroad is furnished through:

□ Experts working in advisory and planning capacities or doing specific assignments, over a period of one to four years service.

□ Survey and fact-finding missions to investigate specific problems or explore the possibility of Israel

<sup>3</sup> Compare: Israel in Quarterly Economic Review, No. 3, August 1966, London 1966, p. 1.

contributing to the country's development. (Such missions usually last from one to four months.)

Advisors under the auspices of UN agencies.

Training in Israel is implemented through:

Short conferences of the survey type, usually designed for upper-echelon civil servants and professionals. These conferences have included seminars on rural planning, community development and the role of women in a developing society.

Intensive courses in specialised subjects such as agriculture, youth organisation, community development, cooperation, trade unionism, police and public administration, and vocational training. The courses, lasting from three to ten months, are designed for intermediate level personnel.

Sub-academic courses lasting between one and three years, and including accelerated training of physical education teachers and nurses.

Individual training by means of practical work or observation tours, ranging in length from a month to a year.

Special academic work, offered in Hebrew, taken at Israel's institutions of higher learning. In some cases graduates of short courses stay on for academic research.

From the rather modest program that started in the mid-1950's as a result of Israel's successful liaison with Burma and Ghana, Israeli foreign aid has grown in scope and size each year, particularly in the field of education and training. In 1962 about three-fourths of the \$ 5 million aid money was spent on the exchange of students and technicians. There were 350 Israeli technicians in Africa alone, engaged in such activities as giving assistance to poultry farmers in Ivory Coast, Ghana and Upper Volta, helping to cure trachoma in Tanganyika and establishing fisheries in Ivory Coast. During the year, 750 Africans came to Israel for training in such subjects as carpentry, engineering, medicine, traffic control and police training, and youth organisation. In 1965 there were 832 Israeli experts abroad in 62 nations, more than 600 of whom were in Africa. The influx of foreign trainees to Israel had increased to 2,150 persons from 80 nations, of which 1,200 persons came from Africa.<sup>4</sup> The Israeli

<sup>4</sup> Compare: James Feron, "Aid Israeli Style—The African Program," The New York Times, June 5, 1966, p. 3

budget allocated \$ 3.5 million for aid in 1965, but a foreign ministry official indicated that the figure did not represent a quarter of the true cost.<sup>5</sup>

The largest and most successful programs have been those dealing with agricultural settlement and youth groups, based on Nahal (part of the Israeli army) and Gadna (the nation's youth corps).

Although three-fourths of Israel's technical assistance has been directed toward Africa, the Latin American program (which started in 1961) has provided the greater challenge. This is "because on the American continent Israel has been asked to provide assistance to countries whose traditional cultural ties have been with Spain and France, whose industrial and political atmosphere is often influenced by the United States, and whose development is generally ahead of Israel's."<sup>6</sup> The Latin American aid program is very similar in content to that which has been offered in Africa.

#### Growth of Israeli International Cooperation

	Israeli Experts		Foreign Trainees	
	Number Abroad	Number of Countries	Number in Israel	Number of Countries
1957-58	40	7	137	25
1965	832	62	2,154	80

Sources: Israel Ministry for Foreign Affairs, Department for International Cooperation reports: Statistical Report on Trainees and Experts, 1958-1963 (1957-1958 data); Israel Experts on Mission Abroad—1965 (1965 data).

Projects and aid in Asia are confined to Burma, discussed previously, and to a modest number of basic agricultural and development projects in Cambodia, Thailand and Vietnam.

Political and religious barriers in several countries have impeded or even prevented cooperation with Israel. Even so, Israel has been working without fanfare in the Middle East and Mediterranean region to weaken the barriers. A case in point is Iran, where Israeli assistance has been increasingly welcome,

<sup>5</sup> The figure budgeted for 1966 was in the order of \$ 3,340,000. It is necessary to realise, however, that the budget for international cooperation is in essence a "nucleus" budget to which finance from national and international sources must be added. The resultant "snowball" effect has been estimated at \$ 3 worth of development for every dollar Israel spends. (Israel Ministry for Foreign Affairs, Department for International Cooperation, The Budget.) As a proportion of the country's GNP, the appropriated amount equals only about 0.1%.

<sup>6</sup> Compare: James Feron, "Israeli President off on Latin Visit," The New York Times, June 18, 1966.



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**CARL TIEDEMANN**

STEVEDORES

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particularly since Israel sent an effective team of engineers, water experts and construction engineers to Iran to help rebuild after the disastrous earthquake at Kasvin on September 1, 1962. Israel has since trained more than 1,500 rural cooperative workers in Iran.

In 1965, Israel had 90 experts serving in the Mediterranean region. Countries involved included Cyprus, Greece, Iran, Malta and Turkey.

In processing requests, the nerve-center of Israel's technical aid program is the Department of International Cooperation in the Ministry for Foreign Affairs. It holds final responsibility for all government activities in this area, but has little jurisdiction over the joint commercial enterprises. Professional supervision and execution of training and other projects are usually "sub-contracted" to professional bodies. Thus, agricultural instruction is administered by a Foreign Training Department in Israel's Extension Service; courses in cooperation and trade unionism are sponsored by the Histadrut; vocational education is organized and offered by various trade schools; and candidates for overseas assignments are selected by competent professional authorities.

In essence, the Israel program of international cooperation stresses the human factor and aims to capture the inherent strengths of a movement popular with the people of the developing nations. It has be-

come so popular that the country can only fulfill about half the requests for assistance it receives.

## The Intangible Value of Foreign Aid

Since the foreign assistance given by Israel is based on requests from other countries, the fact that it has grown dramatically since its inception about a decade ago attests to its desirability. And since the financial terms to recipient countries are generally not as favorable as they are from the large, industrial nations of the world, the relative value of the assistance given by Israel is even more apparent. While there have been some Israeli aid projects that have not been entirely successful, the overall program has been a stellar success.

The policies of development aid have yielded some benefits to Israel. Primarily, the experience of visiting Israel and receiving aid from it has dissolved misconceptions, even animosities, that had been developed primarily by foreign propaganda. The following statement by a visiting Nigerian personality is typical of many delegates and trainees: "Had I not come here to see things for myself, I would still be in the belief that the Jews are enemies of Africans, aggressors and exploiters, as they were said to be by the enemies of the Jewish nation." Likewise, some of the first group of Guinean students in cooperation were Moslems who arrived with strong prejudices against Israel. Their stay in the country changed their attitude radically. Leaders of countries receiving aid have also been lavish in their praise. President William Tubman of Liberia stated in 1962 that Israel is "a Mecca... for every African leader," and President Felix Houphouet-Boigny of Ivory Coast said of Israel, "... a little country but what a great people." Their statements reflect the fact that African nations no longer ask Israel not to publicise their links with Israel, and Arab pressure has failed to persuade the Africans to forego Israeli aid.<sup>7</sup> Israeli officials see the African program as a window in the Arab wall that surrounds the Jewish state, and as an opportunity to demonstrate what the Israeli stand for. When Abba Eban (as Deputy Prime Minister) was asked in 1965 whether the aid program has helped Israel, he answered in an interview: "I think it has been a great help. Some people ask us how we can spare the effort and the manpower involved in these programs... I cannot describe to you the exhilaration that this (extending aid) gives our people." After describing Israel's program as one of participating in a new commerce of ideas, experiences and skills, he added: "When nations in Latin America or Africa see Israel in this guise, as a constructive agent in their own central issues, they are not going to listen very respectfully to the doctrine that Israel is a negative, dark, conspiratorial force that ought to be eliminated from the map of the world." Today Israel has diplomatic relations with 29 nations in Africa alone. The ties include those with nations containing Moslem populations and with both left-wing and right-wing governments.

<sup>7</sup> Compare: op. cit. "Aid Israeli Style—The African Program."