

This systematic integration is best articulated and reinforced by Eli Ginzberg, an American consultant to the Manpower Planning Authority in the Fifth Report on Manpower in Israel, 1968.³⁷ In this report, Ginzberg emphasizes the imperative of "closer articulation between military and civilian enterprises" if Israel is to survive and prosper. He supports his advice with the following rationale:

"Because of the critically important role of the defense in the nation, sizeable budgetary allocations have been made and will inevitably continue to be made to modernize and improve the Israel Defense Forces. The Ministry of Defense is without question the single largest customer in the nation...and has taken the lead in many areas to develop a military industrial complex. This has proved highly successful in many sectors because the military enterprises were able to move ahead with degrees of freedom, tighter management, and superior labor morale."

Ginzberg tries further to advocate not only that military production be the leading sector, but also the subordinating of the civilian economy to its servitude; hence, furthering circulation linkages in production.

"...If the demand of the military for a broad range of items can be placed on the civilian economy; if the standards which the military requires can be established as norms within the civilian economy; if the advanced sectors of the military industries can penetrate foreign markets as part of a larger Israeli export effort; if military requirements can be used as a basis for developing imports substitutions, the entire economy will be stimulated."

Ginzberg does not forget to mention the potential spill-off effects on the civilian economy:

"...The fact that the military is increasingly dependent on advanced technology, particularly in the field of electronics, means that it can stimulate branches of that industry, not only to meet military needs but also to develop civilian specializations."

"Lately [he adds], more attention has been paid to the potential gains from more closely articulating the military and