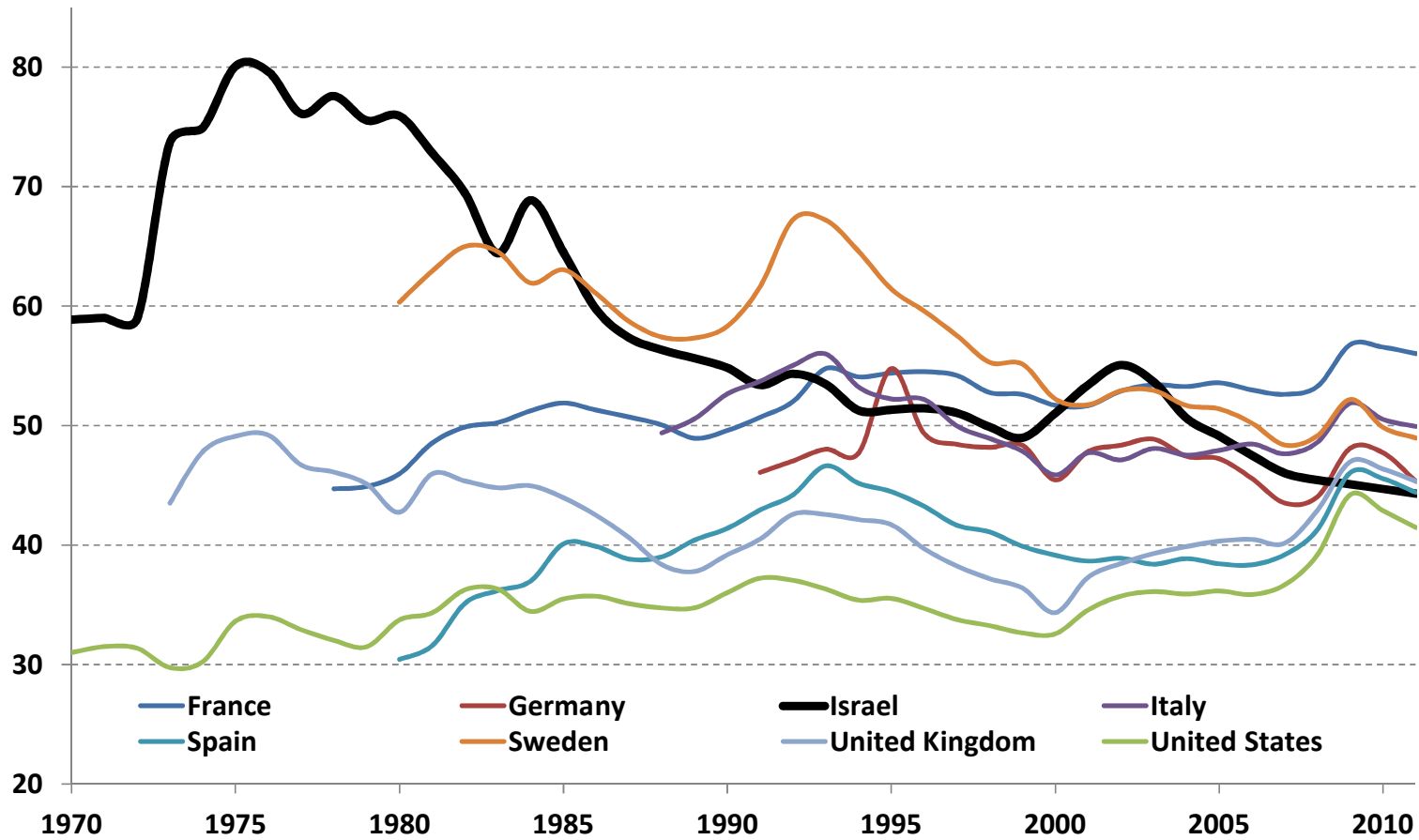


How to restore world prosperity - The Israeli Paradox

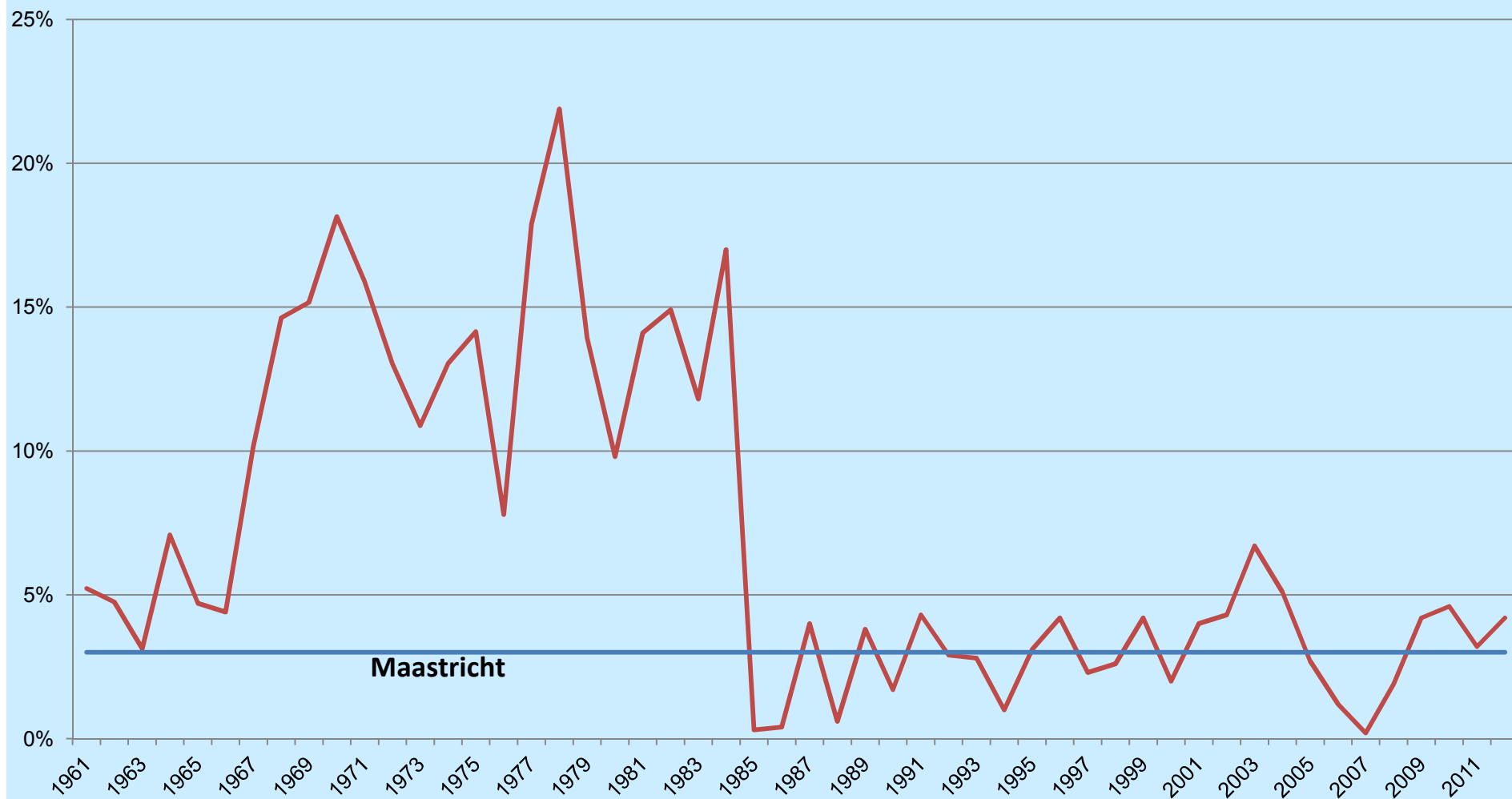
Avi Simhon

Government share in GDP (%)



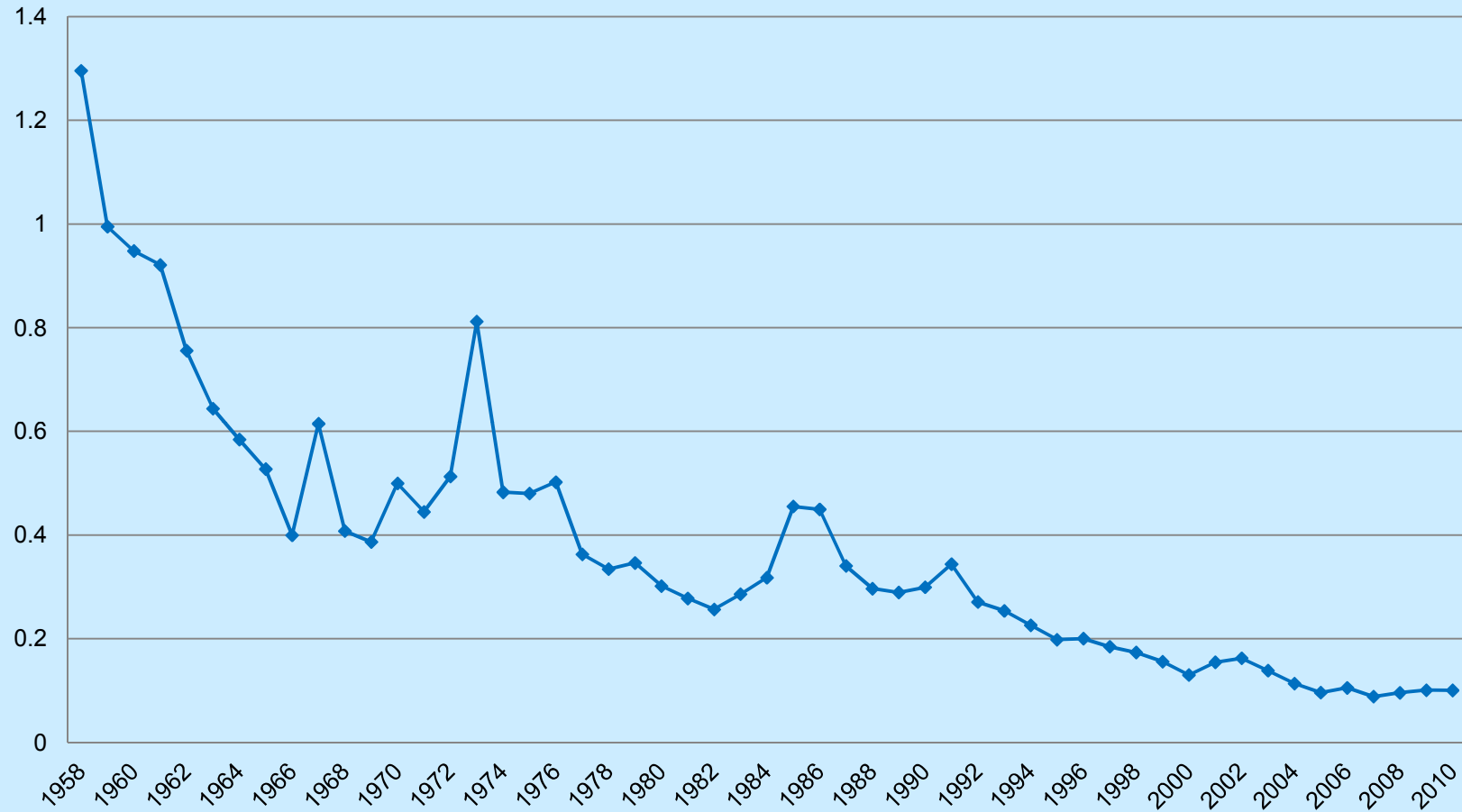
source: IMF; Israel, 1970-1999, CBS, BOI; France, 1978-1979, UK, 1973-1979, Eurostat; United States, 1970-2000, Federal: Fed. Budget: Hist. Tables 3.2 and 7.1 State and Local: Statistical Abstract of the United States, State and Local Gov. Finances; GDP: Fed. Budget: Hist. Table 10.1.

Budget Deficit, % of GDP



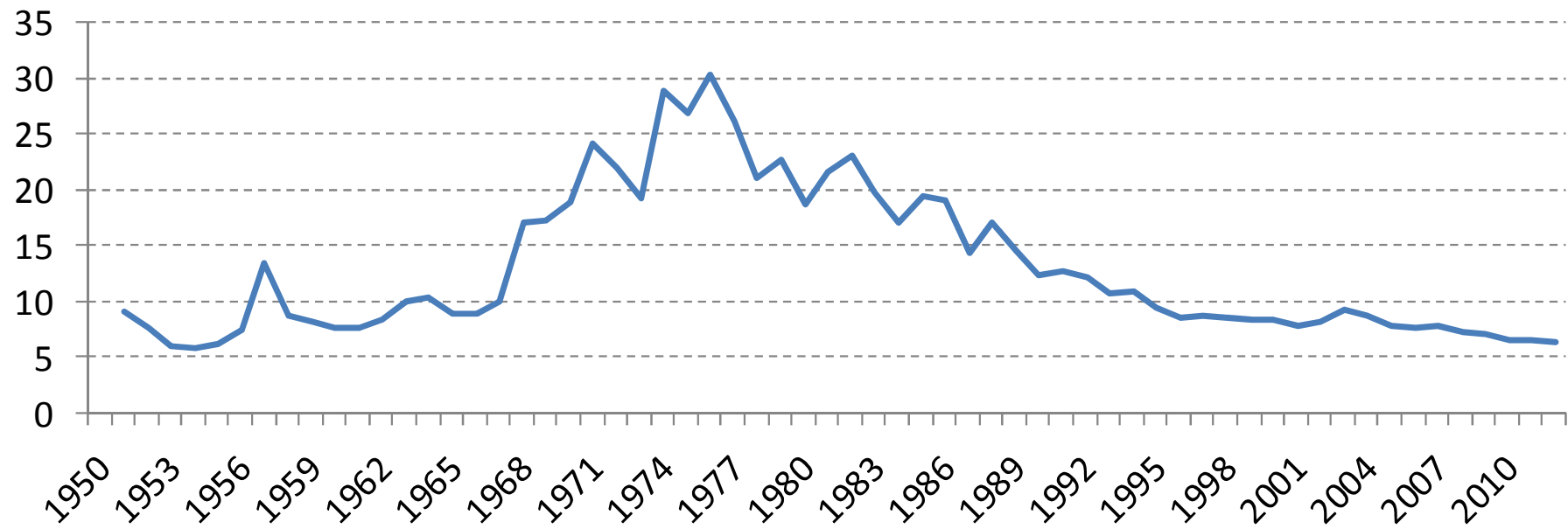
Source: CBS, BOI annual report 1961-2009

Unilateral Transfers / Exports



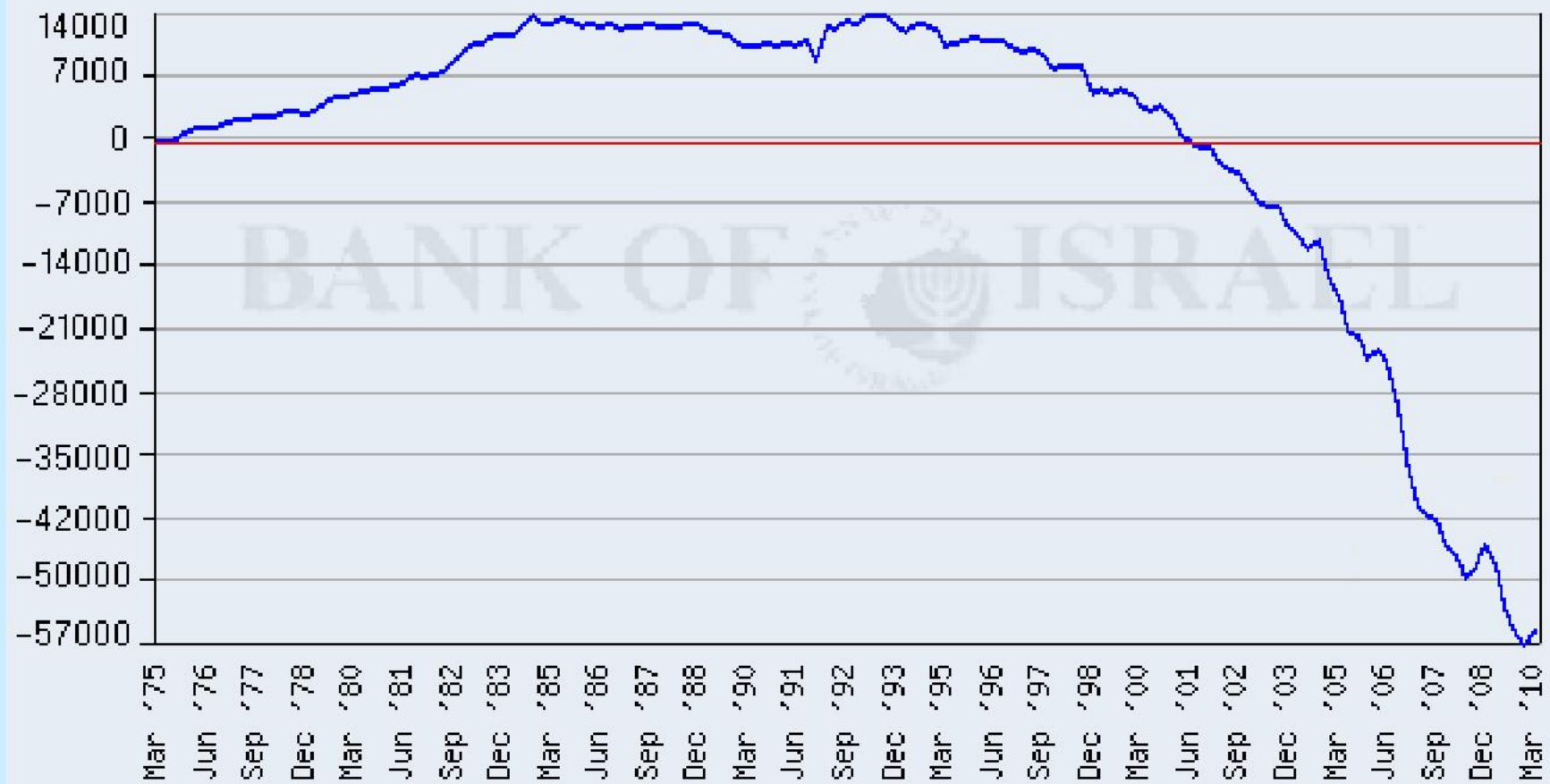
Source: CBS

Defence Consumption share of GDP (%)



Source: CBS

Net External Debt

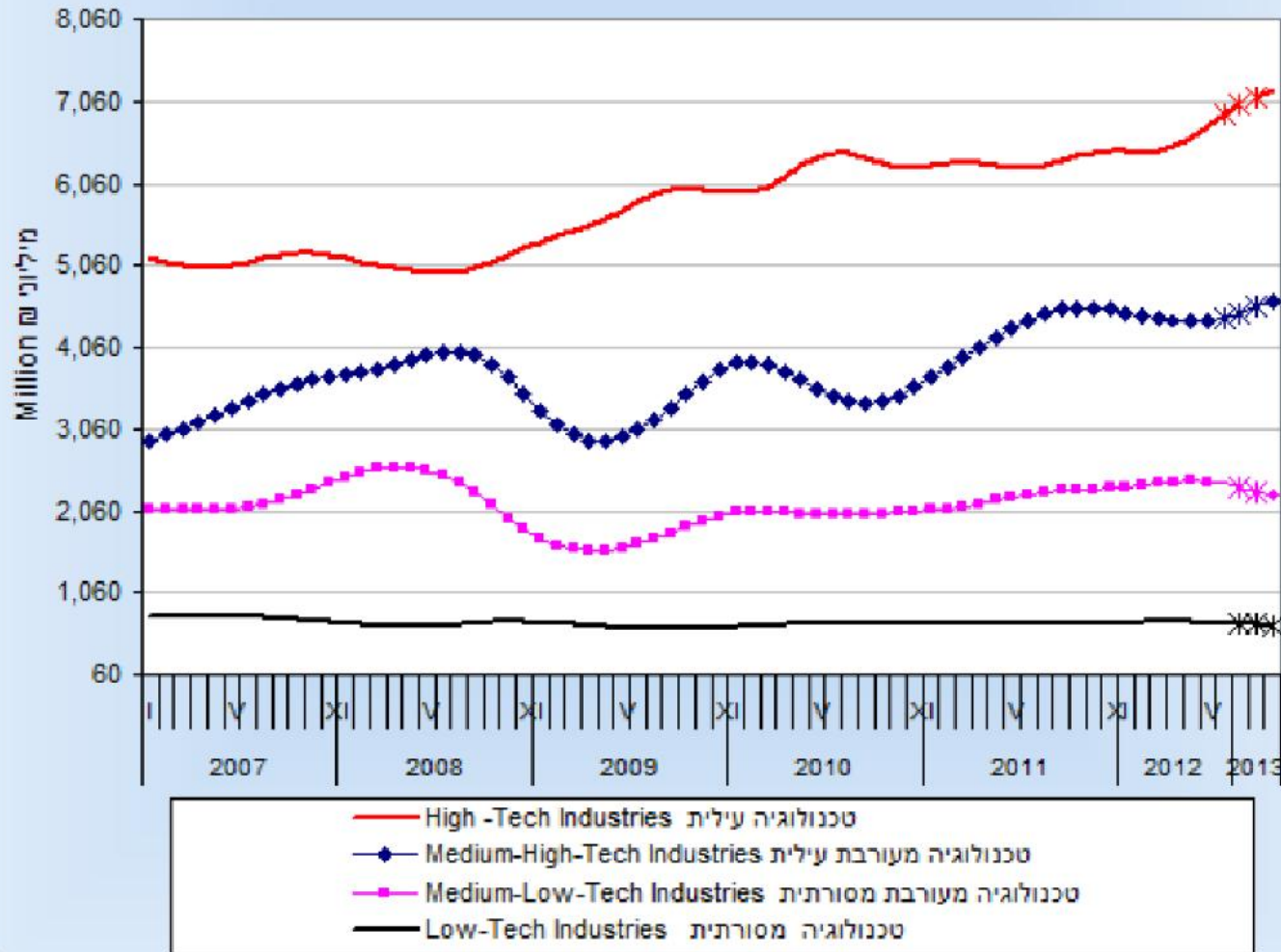


Source: Bank of Israel

תרשים 2

יצוא תעשייתי לפי עוצמה טכנולוגית (נטו) - מגמה* (1)

NET MANUFACTURING EXPORTS BY TECHNOLOGICAL INTENSITY - TREND DATA (1)*



(1) Excluding diamonds, ships and aircraft.

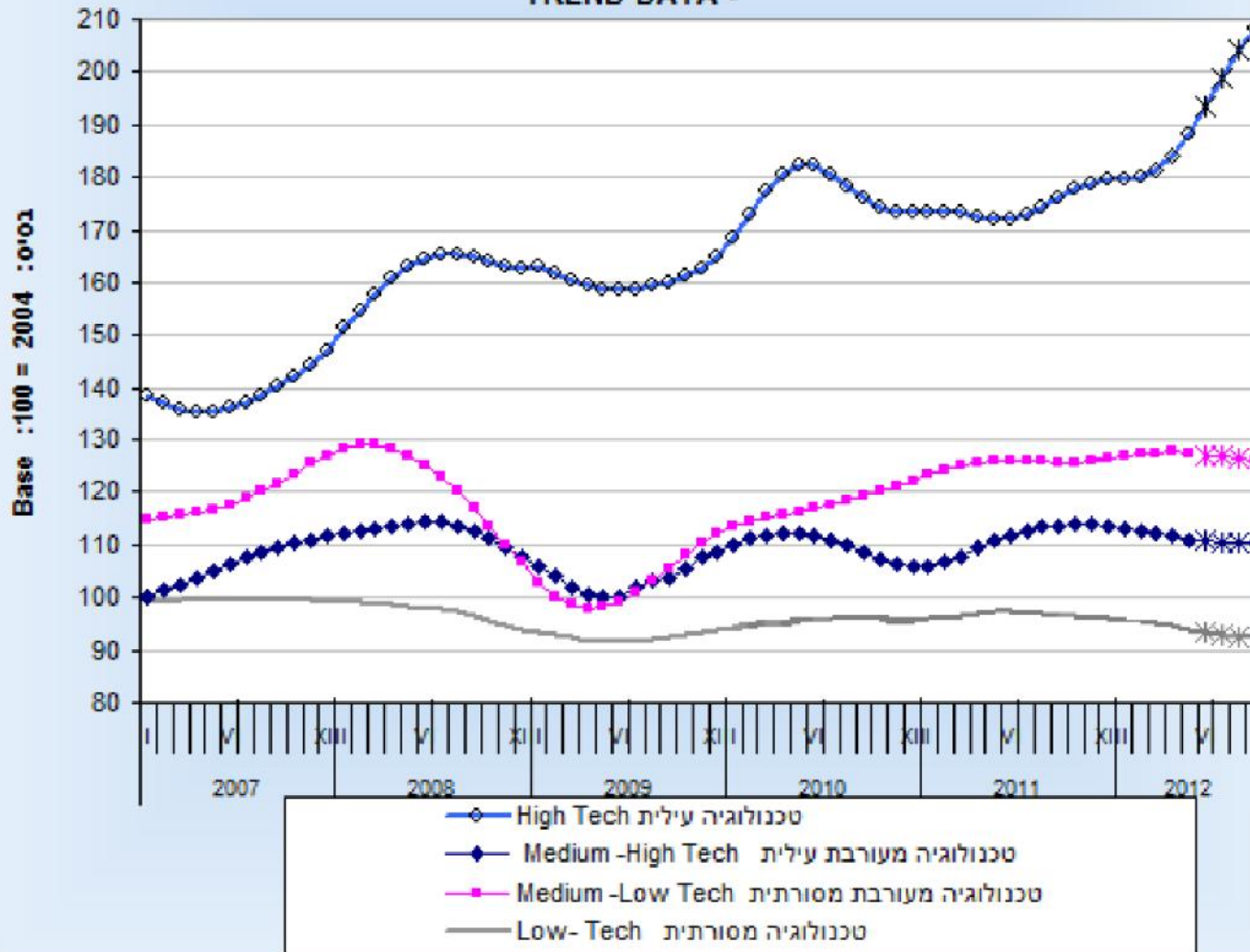
(1) ללא אוניות מטוסים ויהלומים.

Source: CBS

תרשים 4

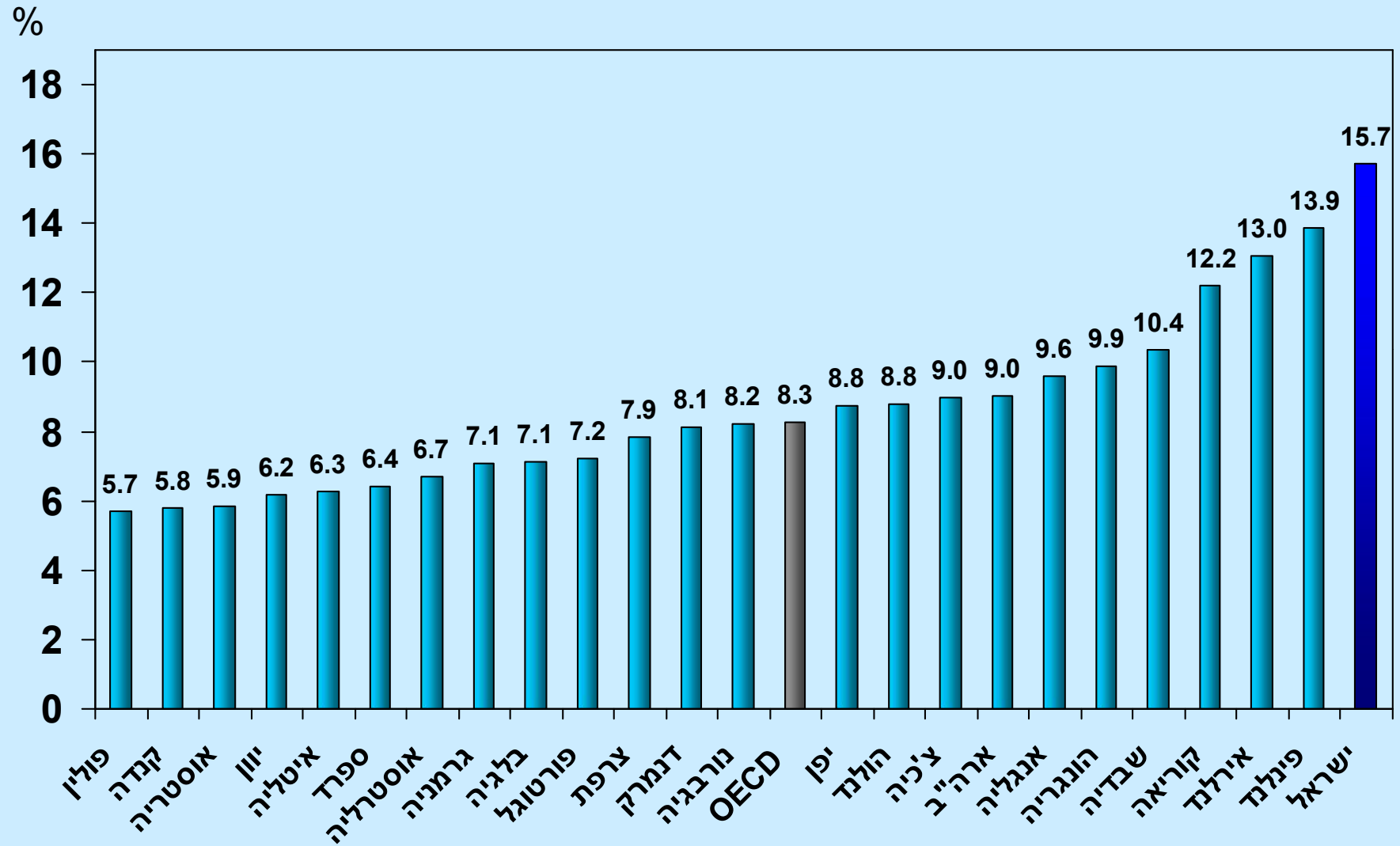
ייצור תעשייתי לפי עוצמה טכנולוגית - מגמה*

MANUFACTURING PRODUCTION BY TECHNOLOGICAL INTENSITY
TREND DATA -



Source: CBS

ICT out of Business Sector 2008

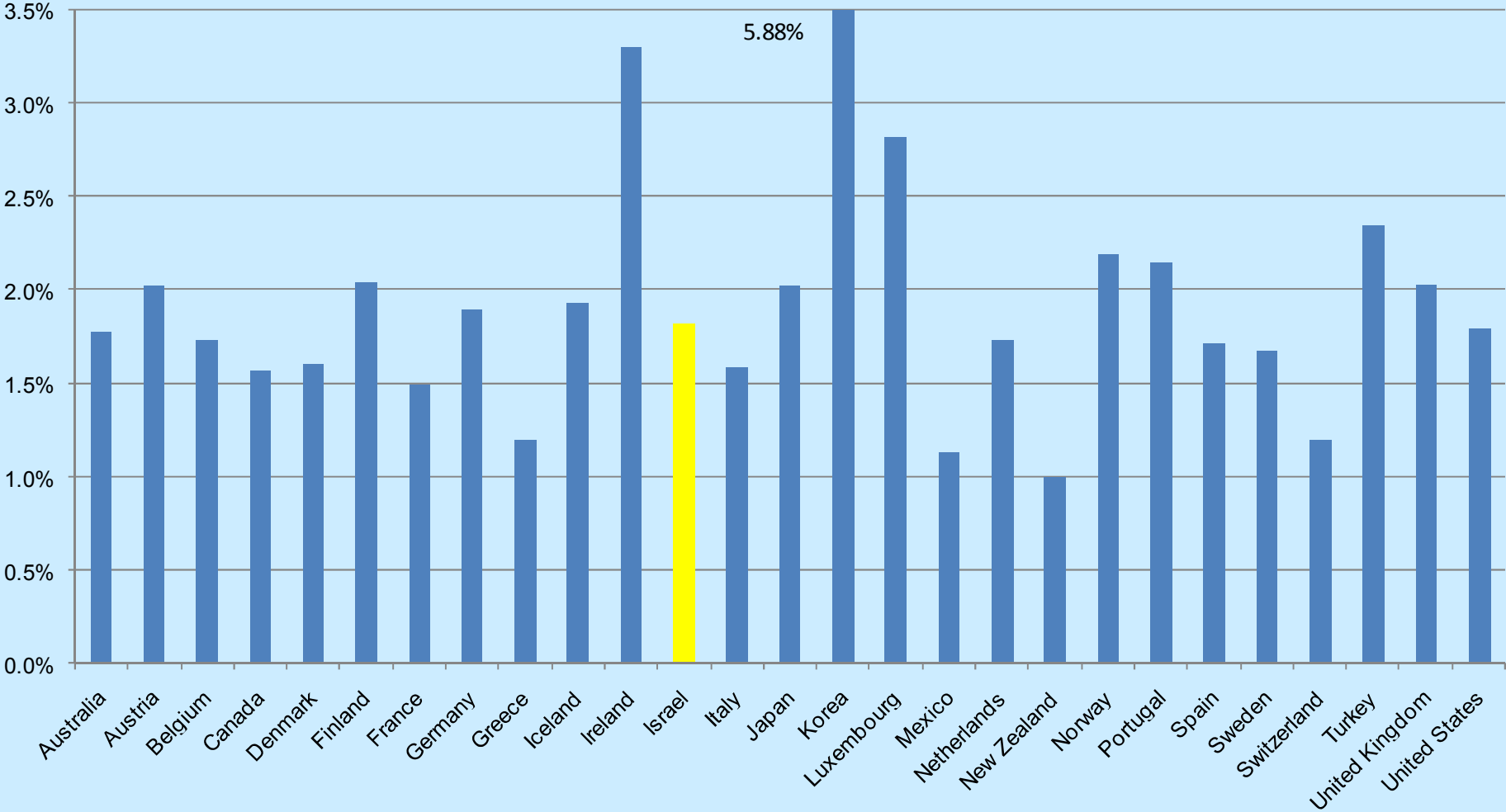


OECD country ranking GDP PPP per capita, 2011

Country	Rank	GDP	Country	Rank	GDP
Luxembourg	1	88,601	Japan	18	34,051
Norway	2	61,047	Italy	19	32,659
Switzerland	3	51,507	Spain	20	32,121
United States	4	48,043	Korea	21	30,286
Netherlands	5	42,785	New Zealand	22	30,164
Ireland	6	42,329	Israel	23	27,958
Austria	7	42,186	Slovenia	24	27,346
Australia	8	42,060	Czech Republic	25	26,331
Sweden	9	41,485	Greece	26	25,836
Denmark	10	40,945	Portugal	27	25,359
Canada	11	40,418	Slovak Republic	28	23,924
Germany	12	39,465	Estonia	29	21,992
Belgium	13	38,874	Hungary	30	21,455
Finland	14	37,461	Russian Federation	31	21,093
Iceland	15	36,483	Poland	32	21,070
United Kingdom	16	35,607	Chile	33	17,312
France	17	35,387	Turkey	34	17,038

Source: OECD

GDP per capita growth rate 1975-2011



Source: OECD, World Bank