

World Knowledge Forum 2013

October 15, 2013 - Ehud Olmert - What We Did Not Know of Israel

At the 14th World Knowledge Forum in Seoul, Former Israeli Prime Minister, Ehud Olmert, shared three secrets that enabled the state of Israel to become the start-up nation it is today. How could a nation of eight million citizens claim 25% of the world's billionaires and also emerge as "one of the leaders of the international community in development of high technologies," as embodied by Intel?

Pointing to Israel's tradition of never being able to live permanently in one location, Mr. Olmert laid out one positive consequence of what may normally have been considered a disadvantage. "Moving from place to place, one thing that was emphasized was learning and creating capabilities that were independent of the particular place where one lived," he explained. This natural history of developing such intellectual capabilities allowed Jews to "think outside of known frameworks, which led to a change in perception of their way of life today."

Continuing to build on the importance of circumstance over innate abilities, Mr. Olmert interjected, "We are not smarter. We are not more gifted than the Japanese, Koreans, Americans, and French." Instead, he pointed towards Israel's fight to survive while being encircled by hostile countries ever since its rise to statehood in 1948.

"For 65 years we have been thinking how can we defend ourselves and overcome the dangers and threats and risks to Israel's existence," he said.

Forced to look for solutions that would not alienate a state made up of twenty-five cultures and eighty languages, he credited "a restlessness that always triggered us to examine outside of the box and find new solutions and creations to enable us to cope with our situations."

Mr. Olmert then brought the audience's focus to a micro level by describing how circumstances equipped 20-year-old soldiers with tools that they would unknowingly use in their future careers. He explained, "They started to develop facilities based on problem solving they had conducted in the army that could now be adapted to civilian use."

While older minds locked in a specific direction would not have thought in such ways, Mr. Olmert said, "Simply asking, 'why not?' would encourage the entrepreneurial and innovative spirit inspired by minds floating all over the place."

Such minds would inevitably need seed money to actualize these “wild ideas into facilities, gadgets, and elements that can make an enormous impact.” In order to do so, the Israeli government created a fund, called the YOZMA Initiative, that would help identify and invest in such opportunities. The YOZMA Initiative employs committees of field experts that select projects to be funded. Profits resulting from these startups would be returned to the government and subsequently reinvested in future innovation.

Offering a reality check that “70 percent of startups fail,” Mr. Olmert emphasized that someone must take the risk and implored governments to be the one to do so, rather than young entrepreneurs. “The United States and most countries in Europe invest less than three percent of their GNP while Israel invests five percent, but it is still not enough,” he said.

Mr. Olmert emphasized, “Success cannot be measured by the relative investment in research and development, but rather in the creation of successful things that change the world.”