

Israel's Security - Energy Policy

The power of oil is the source of Israel's security problems

- Oil feeds the worldwide hate of Israel
- Oil prevents the economic developments and the democratization of the middle east
- Oil feeds radical Islam
- Oil finances the terror organizations
- Oil feeds the nuclear threat to Israel's existence

Israel and Oil

- There will never be peace as long as oil finances its opponents
- Oil drives the largest portion of Israel's budget (defense) and slows our economic development
- Israel is a pioneer in off oil policies (project better place)
- However, even if Israel will not use oil, it is meaningless in the global picture

Israel's security = Eliminate the oil addiction

- **The first strategic priority of Israel's defense policy is to minimize the US dependency on oil**
- **The second priority of Israel's defense policy is to minimize the world dependency on oil**

Israel – oil detox policy

- Does Israel has a policy – no
- Has Israel done something – Almost none
- Does Israel wastes resources on other problems – yes
- **Why Israel? Because we must (as soon as possible), we can, and oil does not carry political power like in the rest of the world**

What is needed to end the oil addiction?

- Less than 2% of US electricity is produced from oil
- Transportation represents 70% of US oil consumption
- We need a transportation solution

The Electric Vehicle – the battery problem

- The main barrier for worldwide implementation – qualities, price, production capacity
- 1 PEHV = 1,000 PC Batteries
- 60 million cars per year = 60 billion PC batteries
- Electric car = 3,500 PC Batteries

Israel should establish a battery industry

- There are already a few research labs on the subject and also on materials, nano, chemistry and electromagnetism.
- There is a patent base
- There are three industrial production companies
- Israel is closer to Europe (vs. the far east)
- **It is a strategic security and economic move**

Oil addiction – the time element

- Every car stays on the road for 17 years
- The conversion to EV will take many years
- The world needs alternative fuels

Alternative fuels

- Israel needs to develop solutions for alternative fuels
 - Bio-diesel
 - Ethanol
 - Methanol
 - Other
- Israel has an R&D infrastructure and start-ups in the area

Recommendations – Budget

- Allocate 1% of the defense budget (125 million dollars a year) for the area
- Reach economic agreements with the US and/or NATO for increased funding

Recommendations – Research and Development

- Substantially increase the research budgets directed to oil replacement solutions
- Invest all “green research” budgets in oil replacement. Those who wish to work on global warming can raise money abroad
- A special student support program to encourage them to choose “oil solutions” career path
- A special program to encourage research for results – not for papers – use monetary rewards

Recommendations – Industry

- 0% tax for companies working on oil replacement solutions regardless of their location
- Tax exemptions for investors in such companies
- Chief Scientist financing of 80% without royalties
- 75% financing via the law for encouragement of capital investments regardless of location (in Israel)

Establish a battery industry

- “Force” a joint venture between to the possible parties by using economic incentives
- Recruit university labs on a full time basis for the project (no papers, no reserve duty)

The time has come to use the defense budget to solve the fundamental problem of Israel's security – oil. It is the best investment for securing our existence