



How Neocon Billionaire Paul Singer Is Driving the Outsourcing of US Tech Jobs to Israel

Several U.S. tech giants including Google, Microsoft and Intel Corporation have filled top positions with former members of Israeli military intelligence and are heavily investing in their Israeli branches while laying off thousands of American employees, all while receiving millions of dollars in U.S. government subsidies funded by American taxpayers.

by *Whitney Webb*



TRUEWORLDPOLITICS.COM

June 11th, 2019

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WASHINGTON — With nearly **6 million Americans unemployed** and regular bouts of layoffs in the U.S. tech industry, major American tech companies like Google, Microsoft and Intel Corporation are nonetheless moving key operations, billions in investments, and thousands of jobs to Israel — a trend that has largely escaped media attention or concern from even “America first” politicians. The fact that this massive transfer of investment and jobs has been so overlooked is particularly striking given that it is largely the work of a single leading neoconservative Republican donor who has given millions of dollars to President Donald Trump.

To make matters worse, many of these top tech companies shifting investment and jobs to Israel at record rates continue to collect sizable U.S. government subsidies for their operations while they move critical aspects of their business abroad, continue to layoff thousands of American workers, and struggle to house their growing company branches in Israel. This is particularly troubling in light of the importance of the tech sector to the overall U.S. economy, as it **accounts for** 7.1 percent of total GDP and 11.6 percent of total private-sector payroll.

Furthermore, many of these companies are hiring members of controversial Israeli companies — known to have spied on Americans, American companies, and U.S. federal agencies — as well

as numerous members of Israeli military intelligence as top managers and executives.

This massive transfer of the American tech industry has largely been the work of one leading Republican donor — billionaire hedge fund manager Paul Singer, who also funds the neoconservative think tank American Enterprise Institute (AEI), the Islamophobic and hawkish think tank Foundation for Defense of Democracies (FDD), the Republican Jewish Coalition (RJC), and also funded the now-defunct Foreign Policy Initiative (FPI).

Singer's project to bolster Israel's tech economy at the U.S.' expense is known as Start-Up Nation Central, which he founded in response to the global Boycott, Divest and Sanctions (BDS) movement that seeks to use nonviolent means to pressure Israel to comply with international law in relation to its treatment of Palestinians.

This project is directly linked to Israeli Prime Minister Benjamin Netanyahu, who in recent years has publicly mentioned that it has been his “deliberate policy” to have former members of Israel's “military and intelligence units ... merge into companies with local partners and foreign partners” in order to make it all but impossible for major corporations and foreign governments to boycott Israel.

In this report, *MintPress* identifies dozens of former members of an elite Israeli military intelligence unit who now hold top positions at Microsoft, Google and Facebook.

Singer's nonprofit organization has acted as the vehicle through which Netanyahu's policy has been realized, via the group's close connections to the Israeli PM and Singer's long-time support for Netanyahu and the Likud Party. With deep ties to Netanyahu, the American Israel Public Affairs Committee (AIPAC), and controversial tech companies — like Amdocs — that spied on the American government, this Singer-funded organization has formed a nexus of connections between the public and private sectors of both the American and Israeli economies with the single goal of making Israel *the* new technology superpower, largely at the expense of the American economy and government, which currently gives **\$3.2 billion** in aid to Israel annually.

Researched and developed in Israel

In recent years, the top U.S. tech companies have been shifting many of their most critical operations, particularly research and development, to one country: Israel. A **2016 report** in *Business Insider* noted that Google, Facebook, Microsoft, Amazon and Apple had all opened up research and development (R&D) centers in recent years, with some of them having as many as three such centers in Israel, a country roughly the size of New Jersey. Other major tech companies that **have also opened** key operation and research centers in Israel include Sandisk, Nvidia, PayPal, Palantir and Dell. *Forbes* noted last year that the world's top 10 tech companies were now “doing mission-critical work in Israel that's core to their businesses back at HQ.”

Yet, some of these tech giants, particularly those based in the U.S., are heavily investing in their Israeli branches while laying off thousands of American employees, all while receiving millions of dollars in U.S. government subsidies funded by American taxpayers.

For example, Intel Corporation, which is the world's second largest manufacturer of semiconductor computer chips and is headquartered in California, has long been a major employer in Israel, with over 10,000 employees in the Jewish state. However, earlier this year, Intel announced that it would be **investing \$11 billion** in a new factory in Israel and would receive around \$1 billion in an Israeli government grant for that investment. Just a matter of months after Intel announced its major new investment in Israel, it announced **a new round of layoffs** in the United States.

Yet this is just one recent example of what has become a trend for Intel. In 2018, Intel made public its plan to **invest \$5 billion** in one of its Israeli factories and **had invested** an additional \$15 billion in Israeli-created autonomous driving technology a year prior, creating thousands of Intel jobs in Israel. Notably, over that same time frame, Intel has cut nearly **12,000 jobs** in the United States. While this great transfer of investment and jobs was undermining the U.S. economy and hurting American workers, particularly in the tech sector, Intel received **over \$25 million dollars** in subsidies from the U.S. federal government.

A similar phenomenon has been occurring at another U.S.-based tech giant, Microsoft. Beginning in 2014 and continuing into 2018, Microsoft has laid off **well over 20,000 employees**, most of them Americans, in several different rounds of staff cuts. Over that same time period, Microsoft has been on a hiring spree in Israel, building **new campuses** and investing **billions of dollars annually** in its Israel-based research and development center and in **other Israeli start-up companies**, creating thousands of jobs abroad. In addition, Microsoft has been pumping millions of dollars into technology programs at Israeli universities and institutes, such as **the Technion Institute**. Over this same time frame, Microsoft **has received** nearly \$197 million in subsidies from the state governments of Washington, Iowa and Virginia.

Though Israeli politicians and tech company executives have praised this dramatic shift as the result of Israel's tech prowess and growing reputation as a technological innovation hub, much of this dramatic shift has been the work of the Netanyahu-tied Singer's effort to counter a global movement aimed at boycotting Israel and to make Israel a global "cyber power."

Start-Up Nation Central and the Neocons



Paul Singer | AP photo archive

In 2009, a book titled *Start Up Nation: The Story of Israel's Economic Miracle*, written by American neoconservative Dan Senor and *Jerusalem Post* journalist Saul Singer (unrelated to Paul), quickly rose to the *New York Times* bestseller list for its depiction of Israel as the tech start-up capital of the world. The book — published by the Council on Foreign Relations, where Senor was then serving as Adjunct Senior Fellow — asserts that Israel's success in producing so many start-up companies resulted from the combination of its liberal immigration laws and its “leverage of the business talents of young people with military experience.”

“The West needs innovation; Israel's got it,” wrote Senor and Singer. In a post-publication interview with the blog *Freakonomics*, Senor asserted that service in the Israeli military was crucial to Israel's tech sector success, stating that:

“Certain units have become technology boot camps, where 18- to 22-year-olds get thrown projects and missions that would make the heads spin of their counterparts in universities or the private sector anywhere else in the world. The Israelis come out of the military not just with hands-on exposure to next-gen technology, but with training in teamwork, mission orientation, leadership, and a desire to continue serving their country by contributing to its tech sector — a source of pride for just about every Israeli.”

The book, in addition to the many accolades it received from the mainstream press, left a lasting impact on top Republican donor Paul Singer, known for funding the most influential neoconservative think tanks in America, as noted above. Paul Singer was so inspired by Senor and Singer's book that he decided to spend \$20 million to fund and create an organization with a similar name. He created the Start-Up Nation Central (SUNC) just three years after the book's release in 2012.

To achieve his vision, Singer — who is also a top donor to the Republican Party and Trump — tapped Israeli economist Eugene Kandel, who served as Netanyahu's national economic adviser and chaired the Israeli National Economic Council from 2009 to 2015.

Senor was likely directly involved in the creation of SUNC, as he was **then employed** by Paul Singer and, with neoconservatives Bill Kristol and Robert Kagan, co-founded the FPI, which Singer had long funded before it closed in 2017. In addition, Dan Senor's sister, **Wendy Singer** (unrelated to either Paul or Saul), long-time director of Israel's AIPAC office, became the organization's executive director.

SUNC's management team, in addition to Eugene Kandel and Wendy Singer, includes Guy Hilton as the organization's general manager. Hilton is a long-time marketing executive at Israeli telecommunications company Amdocs, where he "transformed" the company's marketing organization. Amdocs was once highly controversial in the United States after it was revealed by **a 2001 Fox News investigation** that numerous federal agencies had investigated the company, which then had contracts with the 25 largest telephone companies in the country, for its alleged role in an aggressive espionage operation that targeted the U.S. government. Hilton worked at Microsoft prior to joining Amdocs.

Beyond the management team, SUNC's board of directors includes Paul Singer, Dan Senor and Terry Kassel — who work for Singer at his hedge fund, Elliott Management — and Rapheal Ouzan. Ouzan was **an officer** in the elite foreign military intelligence unit of Israel, Unit 8200, who co-founded BillGuard the day after he left that unit, which is often compared to the U.S.' National Security Agency (NSA). Within five months of its founding, BillGuard **was backed by** funding from PayPal founder Peter Thiel and former CEO of Google, Eric Schmidt. Ouzan is also connected to U.S. tech companies that have greatly expanded their Israeli branches since SUNC's founding — such as Microsoft, Google, PayPal and Intel, **all of which support** Ouzan's non-profit Israel Tech Challenge.

According to reports from the time published in *Haaretz* and *Bloomberg*, SUNC was explicitly founded to serve as "**a foreign ministry for Israel's tech industry**" and "**to strength Israel's economy**" while also **aiming to counter** the Boycott, Divest and Sanctions (BDS) movement that seeks to use a nonviolent boycott to end the illegal military occupation of the West Bank and Israeli apartheid, as well as the growth of illegal Jewish-only settlements in occupied Palestinian territory.

Since its founding, SUNC has sought to transfer tech jobs from foreign companies to Israel by developing connections and influence with foreign governments and companies so that they "deepen their relationship with Israel's tech industry." Though SUNC has since expanded to include other sectors of the Israeli "start-up" economy, its focus has long remained on Israel's tech, specifically its cybersecurity industry. Foreign investment in this single Israeli industry **has grown** from \$227 million in 2014 to \$815 million in 2018.

In addition to its own activities, SUNC appears to be closely linked to a similar organization, sponsored by **Coca Cola** and Daimler Mercedes Benz, called **The Bridge**, which also seeks to connect Israeli start-up companies with large international corporations. Indeed, SUNC, **according to its website**, was actually responsible for Daimler Mercedes Benz's decision to join The Bridge, thanks to a delegation from the company that SUNC hosted in Israel and the connections made during that visit.

Teaming up with Israel's Unit 8200



Members of Israel's signals intelligence Unit 8200 work under a Saudi flag. Photo | Moti Milrod

Notably, SUNC has deep ties to Israel's military intelligence unit known as Unit 8200 and, true to *Start Up Nation's* praise of IDF service as key to Israel's success, has been instrumental in connecting Unit 8200 alumni with key roles in foreign companies, particularly American tech companies. For instance, [Maty Zwaig](#), a former lieutenant colonel in Unit 8200, is SUNC's current director of human capital programs, and SUNC's current manager of strategic programs, [Tamar Weiss](#), is also a former member of the unit.

One particularly glaring connection between SUNC and Unit 8200 can be seen in [Inbal Arieli](#), who served as SUNC's Vice President of Strategic Partnerships from 2014 to 2017 and continues to serve as a senior adviser to the organization. Arieli, a former lieutenant in Unit 8200, is the founder and head of the 8200 Entrepreneurship and Innovation Support Program (EISP), which was the first start-up accelerator in Israel aimed at harnessing "the vast network and entrepreneurial DNA of [Unit] 8200 alumni" and is currently one of the top company accelerators in Israel. Arieli was the top executive at 8200 EISP while working at SUNC.

Another key connection between SUNC and Unit 8200 is [SUNC's promotion](#) of Team8, a company-creation platform whose CEO and co-founder is Nadav Zafrir, former commander of Unit 8200. In addition to [prominently featuring](#) Team8 and Zafrir on the cybersecurity section of its website, SUNC also [sponsored a talk](#) by Zafrir and an Israeli government economist at the World Economic Forum, often referred to as "Davos," that was attended personally by Paul Singer.

Team8's investors include Google's Eric Schmidt, [Microsoft](#), and [Walmart](#) — and it recently hired former head of the NSA and U.S. Cyber Command, retired Admiral Mike Rogers. Team8 described the decision to hire Rogers as being "instrumental in helping strategize" Team8's expansion in the United States. However, Jake Williams, a veteran of NSA's Tailored Access Operations hacking unit, [told CyberScoop](#):

“Rogers is not being brought into this role because of his technical experience. ...It’s purely because of his knowledge of classified operations and his ability to influence many in the U.S. government and private-sector contractors.”

In addition to connections to Unit 8200-linked groups like Team8 and 8200 EISP, SUNC also directly collaborates with the IDF in an initiative aimed at preparing young Israeli women to serve in Unit 8200. That initiative, called [the CyberGirlz Club](#), is jointly funded by Israel’s Defense Ministry, SUNC and the Rashi Foundation, the philanthropic organization set up by the Leven family of Perrier-brand water, which has [close ties](#) to the Israeli government and IDF.

“Our aim is to bring the girls to this process already skilled, with the knowledge needed to pass the exams for Unit 8200 and serve in the military as programmers,” Zwaig [told Israel National News](#).

Seeding American tech

The connections between SUNC and Unit 8200 are troubling for more than a few reasons, one of which being that Unit 8200, often likened to the U.S.’ NSA, closely coordinates with Israel’s intelligence agency, the Mossad, and is responsible for 90 percent of the intelligence material obtained by the Israeli government, according to its former commander Yair Cohen. Cohen [told Forbes](#) in 2016, that “there isn’t a major operation, from the Mossad or any intelligence security agency, that 8200 is not involved in.” For obvious reasons, the fact that an organization founded by an American billionaire is actively promoting the presence of former military intelligence officers in foreign companies, specifically American companies, while also promoting the transfer of jobs and investment to that same country, is very troubling indeed.

Particularly troubling is the fact that, since SUNC’s founding, the number of former Unit 8200 members in top positions in American tech companies has skyrocketed. Based on a non-exhaustive analysis conducted by *Mintpress* of over 200 LinkedIn accounts of former Israeli military intelligence and intelligence officers in three major tech companies, numerous former Unit 8200 alumni were found to currently hold top managerial or executive positions in Microsoft, Google and Facebook.

At Microsoft, managers for at least 15 of the company’s products and programs — including Microsoft’s lead managers for engineering, product strategy, threat analytics and cloud business intelligence — publicly listed their affiliation with Unit 8200 on their LinkedIn accounts. In addition, [the general manager](#) of Microsoft’s Israeli Research and Development Center is also a former member of Unit 8200. In total, of the 200 accounts analyzed, 50 of them currently worked for Microsoft.

Similarly, at Google, 28 former Unit 8200 members at the company were identified from their LinkedIn accounts. Among them are Google’s Engineering Director, its strategic partner manager, two growth marketing leads, its lead technical manager, and six product and program managers, including Google’s manager for trust and safety search.

Facebook also has several Unit 8200 members in prominent positions, though fewer than Google and Microsoft. *MintPress* identified at least 13 Unit 8200 alumni working for Facebook, including its director of engineering, lead manager for express wi-fi, and technical program manager. Notably, Facebook **has spent** the last several years collaborating with Israel's government to censor Israel's critics.

Of course, there is likely much more influence of Unit 8200 on these companies than this non-exhaustive analysis revealed, given that many of these companies acquired several Israeli start-ups run by and staffed by many Unit 8200 alumni who subsequently went on to found new companies and start-ups a few years or shortly after acquisition. Furthermore, due to the limitations of LinkedIn's set-up, *MintPress* was not able to access the complete list of Unit 8200 alumni at these three tech companies, meaning that the eye-opening numbers found were generated by a relatively small sample.

This jump in Unit 8200 members in top positions in tech companies of global importance is actually a policy long promoted by Netanyahu, whose long-time economic adviser is the chief executive at SUNC. During **an interview** with *Fox News* last year, Netanyahu was asked by *Fox News* host Mark Levin if the large growth seen in recent years in Israel's technology sector was part of Netanyahu's plan. Netanyahu responded, "That's very much my plan ... It's a very deliberate policy." He later added that "Israel had technology because the military, especially military intelligence, produced a lot of capabilities. These incredibly gifted young men and women who come out of the military or the Mossad, they want to start their start-ups."

Netanyahu **further outlined** this policy at the 2019 Cybertech conference in Tel Aviv, where he stated that Israel's emergence as one of the top five "cyber powers" had "required allowing this combination of military intelligence, academia and industry to converge in one place" and that this further required allowing "our graduates of our military and intelligence units to merge into companies with local partners and foreign partners." The direct tie-ins of SUNC to Netanyahu and the fact that Paul Singer has also been **a long-time political donor and backer** of Netanyahu suggest that SUNC is a key part of Netanyahu's policy of placing former military intelligence and intelligence operatives in strategic positions in major technology companies.

Notably, just as SUNC was founded to counter the BDS movement, Netanyahu has asserted that this policy of ensuring Israel's role as a "cyber power" is **aimed at increasing** its diplomatic power and **specifically undermining** BDS as well as the United Nations, which has repeatedly condemned Israel's government for war crimes and violations of international law in relation to the Palestinians.

Building the bi-national surveillance state



A Google data center in Hamina, Finland. Google via AP

Top U.S. tech companies have filled top positions with former members of Israeli military intelligence and moved strategic and critical operations to Israel, boosting Israel's economy at the expense of America's, and SUNC's role in this marked shift merits scrutiny.

A powerful American billionaire has built an influential organization with deep connections to the U.S.-Israel lobby (AIPAC), an Israeli company that has been repeatedly investigated for spying on the U.S. government (Amdocs), and the elite Israeli military intelligence unit (Unit 8200) that has used its influential connections to the U.S. government and the U.S. private sector to dramatically shift the operations and make-up of major companies in a critical sector of the U.S. economy.

Further consider that U.S. government documents leaked by Edward Snowden have flagged Israel as "leading threat" to the infrastructure of U.S. financial and banking institutions, which use much of the software produced by these top tech companies, and have also flagged Israel as a top espionage threat. One U.S. government document cited Israel as the third most aggressive intelligence service against the U.S. behind Russia and China. Thus, Paul Singer's pet project in Start-Up Nation Central has undermined not only the U.S. economy but arguably U.S. national security as well.

This concern is further exacerbated by the deep ties connecting top tech companies like Microsoft and Google to the U.S. military. Microsoft and Google are both key military contractors — Microsoft in particular, given that it is set to win a lucrative contract for the Pentagon's cloud management and has partnered with the Department of Defense to produce a "secure" election system known as ElectionGuard that is set to be implemented in some U.S. states for the 2020 general election.

Feature photo | Paul Singer | AP

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