US-Israel Tech and Business Bonds: Advancing Innovation for Mutual Benefit

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ITZHAK MASHIAH, APR 1 2025

The United States and Israel share a multifaceted, deeply rooted relationship, often examined through the lens of security, defense, and military cooperation. Academic literature frequently highlights their long-standing ties and mutual interests, emphasizing how both nations have historically aligned in response to external threats. This article, however, shifts the focus to another dimension of U.S.-Israel relations: technology, business, and innovation. It explores the significance of this shared ideology and the diplomatic opportunities it fosters within the broader bilateral framework.

Galily and Sheard state that "Israel and America enjoy a very close and interdependent relationship. This is expressed at a variety of levels: economic, military, social and cultural" (Galily and Sheard 2002, 55). Other scholars argue that the United States and Israel have "a long history of working together as close allies" (Schanzer et al. 2022, 1). According to Gilboa (2020), the public perception of Americans toward Israel is positive. His study indicates that, in the past two decades, the American public "have held highly stable and favorable views of Israel". Moreover, "majorities of Americans have considered Israel as a close and important U.S. ally". Overall, the relationship between the USA and Israel can be viewed from different perspectives. In international relations theory, the three well-known paradigms—Realism (Donnelly 2000), Constructivism (Hopf 1998) and Liberalism (Moravcsik 1992)— provide a strong framework for understanding the nature of relationships between states. In short, the U.S.-Israel bond can be seen as (1) driven by the pursuit of security and strategic interests, (2) shaped by shared identities, historical narratives, and cultural connections, and (3) founded on institutional cooperation, mutual economic interests, and democratic values (Gilboa 2023).

Among the various aspects of the U.S.-Israel relationship, national security stands out as a central focus in academic discussions (Freilich 2023). In contemporary discourse, this relationship is often framed through the lens of defense and security, not only in scholarly analyses but also in media coverage, public statements, and policy debates. These discussions frequently emphasize security concerns, highlighting the importance of defense strategies and the protection of shared strategic interests. However, alongside the dominant "security above all else" narrative, there exists a crucial yet often overlooked dimension—economic interests and, more specifically, mutual technological contributions. While this aspect may appear secondary, particularly when national security takes center stage, the role of tech and innovation is equally vital and warrants greater recognition.

The nations are primarily portrayed in security-related and broader contexts, making up the vast majority of appearances, while discussions on technology are far less common. To assess this, we can draw on the comprehensive data from the Internet Archive. The analysis indicates that the United States is referenced in 1,759,519 TV news segments (79%), while Israel appears in 464,071 segments (21%). A basic quantitative analysis of media coverage shows that when examining the shared discourse involving both nations, it is found that they are mentioned together in security or general contexts 688,934 times (90%), compared to only 76,929 mentions (10%) in the tech business context. Furthermore, even when the two nations are featured in a technological context, the discourse often integrates security-related themes. This suggests that the prevailing media narrative frames their relationship primarily through military and security lenses rather than a technological-business perspective. This brief article contends that the tech-business dimension of their relationship represents a crucial strategic nexus that

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warrants greater public recognition and discourse. In other words, the U.S.-Israel relationship should perhaps be anchored in technological actions and branded through conversations focused on technology.

According to WIPO Global Innovation Index, both countries hold the top spot in their respective regions. Both nations have a strong presence in cutting-edge high-tech industries. According to the Crunchbase database, the United States hosts more than one million active tech companies and entities, reinforcing its position as the world's leading economy. Meanwhile, Israel boasts more than sixteen thousand active tech companies and startups —an impressive figure given its smaller size and population. Freilich (2023) stated that Israel is a "nation that relies heavily on high-tech" (p. 10). Tech stakeholders in both countries operate independently and collaboratively. The mutual emergence of technological institutions between two nations provides a deeper understanding of their bilateral relations. In this context, the concept of Technography (Latour 1993; Jansen and Vellema 2011; Kien 2008), which combines "ethnography" and "tech," can help us better understand technological populations in the context of U.S.-Israel relations. A notable aspect of this relationship is the reciprocal presence of businesses from both countries. Israeli startups frequently regard the American market as a vital avenue for expansion, while, for some time, American companies have established R&D centers, offices, and branches in Israel. This sustained physical presence and collaboration between American and Israeli entities highlight the depth and resilience of the economic and technological ties between the two nations.

Despite the considerable geographical distance and differing time zones, stakeholders in both the United States and Israel share significant commonalities and areas of mutual interest. Today, Israeli technology companies are increasingly establishing branches across key technological hubs in the United States, spanning both the East and West Coasts. Simultaneously, American corporations are expanding their operations within Israel, particularly in major innovation centers and tech-driven regions. Many examples of tech entities presence can be found online through data aggregators, such as Mapped in NY and Mapped in Israel. This two-way presence enhances the economic relationship between the two nations, creating significant economic value and reinforcing bilateral ties and culture.

With a strong tech presence, it's important to remember that a successful tech sector isn't solely the product of a bottom-up approach or driven only by the private sector; it also requires a top-down strategy (Maggor 2021; Maggor & Frenkel 2022). Similarly, technological advancement and collaboration are not driven by the private sector alone. Both governments and the broader public sector have actively shaped policies through top-down initiatives to foster cooperation among key stakeholders. Indeed, through the years, the USA and Israel have developed mutual policies and initiatives to strengthen their bond. In the seventies, both governments launched the BIRD Foundation to promote joint industrial R&D. On the BIRD (Binational Industrial Research and Development) website, it is stated that "BIRD supports industrial R&D in all sectors of the hi-tech industry which are of mutual benefit to the U.S. and Israel […[The United States and Israel have a common goal to promote innovation and advance technology for mutual benefit that creates economic and social impact in both countries and beyond". This program, along with other public-governmental initiatives, aims to promote technological advancements, as evidenced by a recent statement:

"This cooperation builds upon the U.S.-Israel Strategic High-Level Dialogue on Technology, leverages the expertise of American and Israeli research and academic institutions, and demonstrates the remarkable value of the U.S.-Israel relationship in facilitating investments in technology that improve the lives and livelihoods of populations across the globe.

Furthermore, various non-governmental organizations (NGOs), private sector entities, and innovation authorities actively foster collaboration between Israel and the United States in technology, innovation, energy, and science. These collaborations extend to professional partnerships, business processes, mergers and acquisitions, and more. For example, in 2025, Alphabet Inc. (parent of Google) announced the acquisition of the Israeli company WIZ. According to various reports, the transaction was valued at over $32 billion, making it the most expensive acquisition undertaken by the company to date (Thomas & Jin, 2025). Independently and collaboratively, stakeholders from both nations excel in leveraging technology, innovation, and business-driven sectors. Their joint efforts hold the potential for a significant global impact. Given this dynamic, it is now crucial to examine the concepts of Americanization and Israelization.

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Rebhun and Waxman explain that "Americanization is the act or the process, of conforming to America's culture, ideologies, and material goods. It can largely be seen as an aspect of economic-technological development" (Rebhun and Waxman 2000, 65). In many aspects, Israel underwent the process of Americanization. This Americanization is reflected in the representation and perception of national identity, in communication, media, and even at a practical level within the mechanisms of Israeli society (First and Avraham 2007). On the other hand, some argue that cultural influence is bidirectional, highlighting the concept of "Israelization". This sociological term refers to the process by which groups and societal elements adopt common Israeli cultural characteristics. While many theoretical discussions on Israelization refer to minority groups within Israel and how they adopt Israeli culture, perhaps the term can also apply globally, describing how external groups and factors perceive and adopt Israeli characteristics, and especially in the tech and innovation context. Beinin (2003) describes the concept of Israelization as a principle that may influence American contexts. Like Americanization, Israelization is a social process and phenomenon in which "others" adopt or embrace certain characteristics of a culture. Specifically, Israelization emphasizes qualities that are central to the Israeli identity, including innovation, risk-taking, resilience, problem-solving skills, adaptability, leadership, collaboration, technical proficiency, business acumen, and a scalability mindset. These attributes reflect key aspects of the Israeli cultural and entrepreneurial approach, highlighting the dynamic and adaptive nature of the Israeli society.

As previously indicated, both nations share mutual security interests and a unified stance in combating terrorism and threats from hostile actors. While occasional disagreements between their leaders may arise, the overall collaboration between the U.S. and Israel remains steadfast, driven by a shared commitment to a better world. Yet, as we have seen, beyond security and military cooperation, this relationship has also fostered a strong partnership in the tech-business sector. Although both nations actively promote their technological ties, it is safe to say that public perception of U.S.-Israel relations has predominantly been framed within a security-oriented context. This emphasis is largely shaped by policymakers and government officials, who have publicly prioritized security concerns—particularly in the aftermath of the tragic events of October 7, 2023. During this period of crisis, one of the most severe in Israel's history, ensuring defense, security, and fundamental human necessities has taken center stage.

The diplomatic bond between Israel and the United States is reflected in the reciprocal official visits of leaders from both nations, particularly when Israeli prime ministers travel to the U.S. on formal state visits. Throughout history, several U.S. presidents have visited Israel to strengthen bilateral cooperation, beginning with President Richard Nixon in 1974, followed by Jimmy Carter, Bill Clinton, George W. Bush, Barack Obama, Donald Trump, and Joe Biden. However, when it comes to technology and innovation, these topics often remain peripheral in high-level diplomatic in-person visits. In many instances, the only technological aspects addressed are those related to security, particularly Israel's advanced defense systems, developed out of necessity. Consequently, discussions on broader innovative approaches and technological collaboration beyond the defense sector are frequently overlooked.

U.S. support for Israel remains significant, however, it is crucial to recognize that beyond hard-core security, other key areas of mutual interest lie at the heart of both nations' cooperation. Interestingly, American and Israeli factors frequently employ rhetoric centered on technology and innovation (Mashiah 2024a; 2024b). This rhetoric serves distinct utilitarian, personal, and national interests for each country while also underscoring a deeper point of connection between them. Until now, discussions on the longstanding cooperation between the United States and Israel have primarily centered on security affairs (Gilboa 2023). However, given both nations' strong focus on technology, we can expand the conversation and empirical research to highlight how their alliance is also driven by shared tech interests, business and innovation. Although security and technology are deeply interconnected—most notably through the development of advanced defense systems—the tech dimension extends beyond defense. It encompasses broader economic and business relations, including entrepreneurship, corporate partnerships, startup ecosystems, and international collaborations.

Cooperation between the two nations, as strong and productive as it may be, requires continuous maintenance and the cultivation of new development opportunities. Given that a significant portion of technological advancements stems from the private sector, both countries should explore ways to further strengthen collaboration between entrepreneurs and startups. This is a dynamic, two-way process involving both the public sector, and more critically,

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key players in the private sector and academia. Establishing pathways for business partnerships can not only reinforce bilateral ties but also expand opportunities for innovation. Beyond economic and technological collaboration, the cognitive and perceptual dimension is equally important. With global attention focused on developments in both nations, integrating technology into the broader discourse can enhance their role on the world stage. While discussions on the potential downsides of technology—both within and beyond the U.S.-Israel context—could serve as a foundation for empirical research. Their innovations not only strengthen bilateral relations but also may contribute positively to the international community, fostering advancements that benefit global society. While both countries individually promote and engage in technological advancements, security concerns often dominate the narrative, overshadowing the potential of tech collaboration, startups, and innovations. Thus, to strengthen this partnership, it is essential to integrate "tech diplomacy," emphasizing the importance of tech initiatives beyond security and military matters.

In conclusion, this article has explored the strong partnership and collaboration between the United States and Israel, two leading tech powerhouses (see Figure 1). This relationship is driven by joint practical programs, business partnerships, and the corporate presence of technology firms in both countries, with key stakeholders playing a pivotal role in advancing tech diplomacy and enhancing international cooperation. Looking ahead, as tech discourse remains somewhat peripheral in global discussions, it presents an opportunity to reshape the international narrative surrounding these nations. While the prevailing image emphasizes "security above all," a broader narrative that highlights the positive impact of tech and innovation could further strengthen their global positioning and contributions to the international community. From the perspective of both nations, the construction of a shared tech narrative could reinforce their mutual sentiment and strategic alignment; Israel, which has long invested in diplomatic and public relations efforts ("Hasbara") to counter hostile forces seeking to delegitimize it, stands to benefit from a robust tech image. At the same time, the United States—its administration, policymakers, and the broader American public, which largely supports Israel—can also gain from fostering such a discourse, which has roots in practical, beneficial technological advancements and a progressive, innovative spirit.

According to Mashiah (2024b; 2024c), nations and places utilize tech-driven rhetoric for branding purposes. Indeed, this study suggests that both the U.S. and Israel have the potential to benefit from individual technological positioning. Moreover, this positioning can serve as a strategic tool in strengthening alliances and partnerships. In the context of U.S.-Israel relations, shared tech storytelling can reinforce their global positioning as innovation and business leaders. In fact, nations, like any brand, can use tech marketing techniques to shape their image by highlighting their unique tech contributions, romanticizing technology, amplifying influential voices through positive testimonials, and showcasing international collaboration in innovation (Mashiah 2021). By integrating these narratives into their strategic partnership, both nations can deepen economic collaboration, strengthen ties, and enhance their mutual geopolitical influence in an era where tech dominance is a key driver of national power.

Figure 1. National Tech Bond

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